TERMS AND CONDITIONS

The terms and conditions and auction policies set out in this document (collectively the "**Terms and Conditions**") create a binding legal agreement between you, your business, your representatives (collectively, "**you**" "**your**" or "**Customer**"), and Nth Gen Software Inc. o/a TradeRev, ADESA Auctions Canada Corporation, ADESA Montreal Corporation, ADESA Quebec Corporation, and OPENLANE Canada, Inc. (collectively, "**we**" "**us**" or "**our**").

The Terms and Conditions govern your use and access to the OPENLANE Canada auction system and services for every agreement that you enter into with us and every bidder, buyer and seller of vehicles using the auction services on our website at www.openlane.ca, and related mobile applications.

"***Upcoming***" and "***Active***" transactions are governed by the "**TradeRev Canada Terms and Conditions"** included herein. By participating in *Upcoming* or *Active* transactions, you agree to observe and be bound by the *TradeRev Canada Terms and Conditions* for those transactions.

"***Simulcast,***" "***DealerBlock®,***" and "***Lot ready***" transactions are governed by the "**ADESA Canada Auction Policies"** included herein. By participating in *Simulcast, DealerBlock®,* or *Lot ready* transactions, you agree to observe and be bound by the *ADESA Canada Auction Policies* for those transactions.

We may change these Terms and Conditions (including the *TradeRev Canada Terms and Conditions* and the *ADESA Canada Auction Policies*) at any time by posting amendments on our website at www.openlane.ca. By using or accessing the auction system on our website and related mobile applications, you agree to be bound by the then current Terms and Conditions.

TRADEREV CANADA

TERMS AND CONDITIONS

Effective Date: April 30, 2024

The terms and conditions set out in this document (the "**Terms and Conditions**") create a binding legal agreement between you, your business, your representatives (collectively, "**you**" "**your**" or "**Customer**") and Nth Gen Software, Inc. operating as TradeRev ("**we**", "**our**" or "**TradeRev**").

The Terms and Conditions govern your access to the TradeRev System and services and are implied terms and conditions of every agreement that you enter into with TradeRev and with every bidder, buyer and seller of vehicles using TradeRev's System or services. We may amend these Terms and Conditions at any time by posting the amendments on our website at www.traderev.com. You will be notified of any changes to the Terms and Conditions when you log on to the TradeRev System or access the TradeRev App. By using or accessing the TradeRev System and/or services, you agree to be bound by the then current Terms and Conditions.

GENERAL TERMS

1. *Scope and Purpose*. TradeRev provides a real-time live bidding online auction service and related mobile applications and services (collectively, the "**TradeRev System**" or the "**Auction**") for licensed motor vehicle remarketers to list, sell, bid on and buy used motor vehicles ("**Vehicles**"). These Terms and Conditions are for the benefit of TradeRev and, as third party beneficiaries, ADESA Auctions Canada Corporation, ADESA Montreal Corporation, ADESA Quebec Corporation, Openlane Canada, Inc., AutoVIN Canada Inc. and Automotive Finance Canada, Inc. (collectively, the "**TradeRev Partners**"). By participating in the Auction or accessing the TradeRev System you agree to be bound by these Terms and Conditions as may be amended and/or relocated on the applicable TradeRev website from time to time. Breach of these Terms and Conditions may result in the assessment of penalties, and/or the temporary or permanent suspension of your access to the TradeRev System.

2. *Definitions*. In addition to terms defined elsewhere in these Terms and Conditions, the following definitions apply:

   "*Arrived*" means that a *Won* Vehicle is grounded at the Seller's location, available for pick-up by the Buyer and noted as such in the TradeRev System.

   "*Auto Pay*" means an arrangement whereby Customer authorizes TradeRev to automatically debit Customer's bank account (or pre-approved floor plan financing account) for funds owed if payment is not received by 8:00 PM Eastern time the day the Vehicle is marked "Arrived" in the TradeRev System.

   "*Authorized User*" means the individuals designated by you and approved by TradeRev to list, bid on and/or buy Vehicles on your behalf via the TradeRev System.

   "*Buyer*" means the Customer who purchases a Vehicle via the TradeRev System.

   "*Delivered*" means a Vehicle that has been picked up from the Seller's lot by Buyer and has been marked as such in the TradeRev System.

   "*Seller*" means the Customer who lists a Vehicle for sale via the TradeRev System.

   "*Web Information*" means all information and materials displayed on or accessible via links from the TradeRev websites including, without limitation, the ADESA Market Guide®.

   "*Won*" means a Vehicle that, upon being marked *Arrived*, the Seller has committed to sell to the top bidder and has been marked as such in the TradeRev System.

3. *Customer Eligibility*. Our Auction sales are intended for professional Vehicle remarketers only. You represent and warrant that you are a licensed retail or wholesale dealer of Vehicle(s) and/or a business that is otherwise legally

eligible to purchase or sell Vehicles at wholesale auto auctions. You agree that these Terms and Conditions shall apply to all transactions conducted by you and your Authorized Users on the TradeRev System. TradeRev reserves the right to refuse access to the TradeRev System or any service or feature provided by TradeRev to anyone who breaches these Terms and Conditions or otherwise interferes with or violates TradeRev's rights or the rights of others.

4. *Reserve Auction*. Unless otherwise indicated, all Vehicles offered for sale are subject to a reserve price. If bidding does not reach the reserve price, the Seller may elect to decline all bids and/or withdraw the Vehicle listing from the TradeRev System.

5. *Registration*. To access the TradeRev System, you must complete TradeRev's online registration package. (Some TradeRev services are managed on behalf of TradeRev by one or more TradeRev Partners. You may need to be registered with Auction ACCESS® in order to access those services.) Upon receipt and approval of your registration documents, you and your Authorized Users will be issued unique usernames and passwords to access the TradeRev System. You are liable and responsible for all actions, omissions and any failure to act of your Authorized Users. You represent and warrant that all information that you provide to TradeRev is accurate and complete and that you will notify us in writing of any changes to the information provided. You hereby authorize TradeRev to share the information you provide to us (including, without limitation, financial information) with TradeRev Partners. You agree not to give anyone access to the TradeRev System other than your Authorized Users.

6. *Data*. You agree that all information and records, whether oral, written, visual, electronic, digital or tangible transmitted, uploaded, received or stored on the TradeRev System or using the systems, equipment, computers, servers, or premises of TradeRev or any TradeRev Partner, including without limitation, vehicle condition reports, photographic images and videos (collectively "**Data**") is the property of TradeRev and/or TradeRev Partners. You represent and warrant that you own all right, title and interest in Data which you upload to the TradeRev System and you assign to TradeRev all such right, title and interest including, without limitation, all related copyright, moral right and other intellectual property rights. You agree that such intellectual property rights include our right to receive, use, disseminate, control access to, aggregate, modify, package, derive benefit from, remove, destroy or sell Data in whole or in part. Notwithstanding the foregoing, Data that contains personally identifiable information will only be used and disclosed in accordance with TradeRev's Privacy Policy.

7. *Ownership*. You acknowledge and agree that the TradeRev System, related services, Data and Web Information (as defined below), including all copyright and rights to patent, industrial design and trade mark protection, trade secrets and all other intellectual property rights (collectively, the "**TradeRev IP**") are owned by TradeRev or its licensors and are protected by Canadian and international intellectual property laws and treaties. Subject to the limited rights of access expressly granted hereunder, TradeRev reserves all rights, title and interest in and to the TradeRev IP. No rights are granted to you other than the limited rights expressly set forth in these Terms and Conditions. You acknowledge and agree that you do not own, and shall not acquire, any right, title or interest in the TradeRev IP and that, if necessary, you agree to perform any acts that may be reasonably necessary to transfer or confirm ownership of any right, title, and interest in or to the TradeRev IP.

8. *Licenses*. It is your responsibility to acquire, provide and maintain at your own expense licenses for all software, hardware, equipment, connections, facilities, services and other supplies necessary for you to access and use the TradeRev System.

9. *Permitted Use*. You agree that you will use the TradeRev System solely for your internal business purposes and will not: (i) license, sublicense, sell, resell, rent, lease, transfer, assign, distribute, time share or otherwise commercially exploit or make the TradeRev System available to any third party, other than to your Authorized Users or as otherwise expressly permitted by these Terms and Conditions; (ii) send spam or otherwise duplicative or unsolicited messages in violation of applicable laws; (iii) send or store infringing, obscene, threatening, libelous, or otherwise unlawful or tortious material, including material that violates third party privacy rights; (iv) send or store malicious code or viruses; (v) interfere with or disrupt the integrity or performance of the TradeRev System or the Data contained therein; or (vi) attempt to gain unauthorized access to the TradeRev System or its related systems or networks. You further agree that you will not (i) modify, copy or create derivative works based on the TradeRev System ; (ii) frame or mirror any content forming part of the TradeRev System; (iii) reverse engineer or decompile the TradeRev System ; (iv) access the TradeRev System in order to (A) build a competitive product or service, or (B) copy any ideas, features, functions or graphics of the TradeRev System ; or (v) permit or authorize any third party to do any of the foregoing. You agree that all Data transmitted by you through the TradeRev System will be free from malicious software, including viruses,

worms, Trojans, software that bypasses normal authentication mechanisms or exploits or attacks software security or any software or data designed to disable, modify or damage the TradeRev System. You will not use any device, software or routine to interfere or attempt to interfere with the proper working of the TradeRev System. You will not take any action that imposes an unreasonably or disproportionately large load on TradeRev's information technology infrastructure.

10. *Sharing of Username/Password*. Sharing or lending of usernames or passwords is strictly prohibited. You are responsible for maintaining the confidentiality and security of the usernames and passwords issued to you and your Authorized Users. You will be liable and responsible for all actions, omissions, failures to act, and transactions conducted with the username and password issued to you or any of your Authorized Users. You will immediately notify us in writing of any unauthorized use of a username and password.

11. *Compliance*. You represent and warrant to TradeRev that: (a) you and your Authorized Representatives are in compliance with and shall comply with all laws and regulations that apply to your business; and (b) you and your Authorized Representatives have secured and will maintain all permits, licenses and governmental approvals required to operate your business including, without limitation, as required to access and participate in the TradeRev System. We reserve the right to temporarily or permanently suspend your access rights and/or the access rights of any of your Authorized Users at any time. Breach of these Terms and Conditions may result in the permanent or temporary suspension of your right to access the TradeRev System.

12. *Credit History*. You hereby authorize TradeRev or its authorized agent to: (a) investigate your credit history, including obtaining, from time to time, credit history reports of your principals and Authorized Users (collectively, the "**Credit History Reports**"), and (b) share the Credit History Reports and related information with TradeRev's Partners.

13. *Electronic Signatures*. You will permit TradeRev to capture your signature in electronic or digital form. You hereby authorize TradeRev and the TradeRev Partners to apply your electronic signature to documents necessary or incidental to your use of TradeRev's services, including, without limitation bills of sale, odometer disclosure statements, invoices, acknowledgements, approvals, and title documents. You agree that your electronic signature is intended to authenticate the document to which it is applied and shall have the same force and effect as a manual signature.

14. *TradeRev's Role*. TradeRev is a provider of online auction and vehicle appraisal software services. We do not own or take title to the Vehicles listed for sale via the TradeRev System. TradeRev is neither the Buyer nor the Seller of the Vehicles listed for sale. Rather, TradeRev provides software services to facilitate the exchange of Vehicles between Buyers and Sellers. TradeRev does guarantee payment to the Seller provided that the Seller has complied with its obligations under these Terms and Conditions and provides TradeRev with original Vehicle ownership documents within 48 hours of the date the Vehicle is marked *Arrived* in the TradeRev System. TradeRev does not guarantee the accuracy of information regarding Vehicles listed for sale via the TradeRev System. As a sophisticated commercial party, you are expected to satisfy yourself regarding the condition and value of the Vehicle and the terms of sale before bidding. TradeRev is not a party to the Vehicle sale contract, but is a third-party beneficiary of the contract, entitled to the parties' performance and to seek legal remedies for the parties' breach. You agree that any legal claims arising out of a transaction will be between you and the other party (either Buyer or Seller) in the transaction and not against TradeRev or any TradeRev Partner. TradeRev makes no representation, warranty or guarantee as to the accuracy or completeness of the appraisal, description, equipment, warranty, service policy, title, history, odometer reading or disclosures pertaining to Vehicles offered for sale via the TradeRev System.

15. *Fees*. In consideration of access to the TradeRev System, you agree to pay TradeRev and TradeRev Partners (as applicable) all fees and charges assessed by TradeRev and/or the TradeRev Partners for access to the TradeRev System and services provided by TradeRev Partners (collectively, the "**Fees**"). Fees are subject to change without notice. You agree that TradeRev may deduct the Fees and any other amount owing by you to TradeRev or a TradeRev Partner from any amounts that may be payable to you including Vehicle sale proceeds. The purchase price of the Vehicle, service charges, plus all applicable taxes and Fees payable by Buyer in connection with a transaction is the "**Total Payment Amount**." All Fees not deducted from the sale proceeds are due and payable within seven (7) days after the charge is posted to your online account.

16. *Payment Terms*. Customer shall pay TradeRev or TradeRev Partner (if applicable) the Total Payment Amount by 8:00 PM (Eastern time) the day the Vehicle is marked "*Arrived*" in the TradeRev System (the "**Payment Due Date**"). For Customers who elect to participate in the TradeRev Pro monthly subscription plan, subscription fees are due and

payable in advance on the sign-up date (the "**Subscription Fee Due Date**"). (For example, if you signed up for TradeRev Pro on the 14th of May, your first payment would be due on May 14th and all other payments would be due on the 14th of each month thereafter). TradeRev Pro subscribers will automatically be charged the monthly subscription in accordance with their credit card authorization instructions. The Subscription Fee is not pro-rated for partial months. For all other amounts owing, payment shall be made in Canadian dollars by electronic funds transfer, by a pre-approved floor plan financing arrangement acceptable to TradeRev, or such other payment method approved by TradeRev (each a, "**Payment Instrument**"). For Customers signed up for Auto Pay, funds owing will be automatically debited using the default payment method selected by the Customer if payment is not received by the Payment Due Date For Customers not signed up for Auto Pay, TradeRev will deduct the amounts via EFT. TradeRev reserves the right to specify the type of Payment Instrument it will accept from Customer where payment is made to TradeRev or a TradeRev Partner. In addition to whatever rights of set-off TradeRev may have in any jurisdiction where Vehicles are sold, if Customer or any party affiliated with Customer (each a "**Customer Affiliate**") fails to pay Fees or other amounts owing when due to TradeRev or any TradeRev Partner, TradeRev will be entitled to immediately set off the amount owed by Customer and/or Customer Affiliate from any funds owing by TradeRev to Customer and/or Customer Affiliate. In addition, if you fail to pay the Total Payment Amount by the Payment Due Date or the monthly subscription fee by the Subscription Fee due Date, we may: (a) electronically debit your bank account or floor plan account in accordance with the default payment method selected by you under your Automatic Payment Plan; (b) deduct the amount owing from any amounts payable by TradeRev to you; (c) retain possession of any Vehicles owned or controlled by Customer or Customer Affiliate; (d) withhold title documents until all amounts owed have been paid; (e) cancel the sale transaction; (e) charge late payment fees, and/or charge interest on any past due amounts at the rate of one and one half (1.5%) percent per month (18% per year) or the maximum rate allowed by law, whichever is less; and/or (f) pursue any other remedy or relief permitted by law. Any Payment Instrument withdrawn, rejected or returned for non-sufficient funds ("**NSF**") must be settled and replaced immediately. NSF transactions will be subject to a service charge up to the maximum amount allowed by law and shall be immediately due and payable. You agree to pay all costs including, without limitation, legal fees and disbursements, court costs and other expenses reasonably incurred by TradeRev or a TradeRev Partner to collect any monies owing by you.

17. *Security Interest/Hypothec*. Customer hereby grants to TradeRev a continuing security interest and hypothec in all Vehicles purchased by Customer through TradeRev and in all Customer Vehicles that are in the possession, custody or control of TradeRev or a TradeRev Partner, wherever located, and all proceeds from the sale thereof to secure payment of all Fees, debts, liabilities and obligations of Customer to TradeRev or a TradeRev Partner. If Customer fails to pay TradeRev or a TradeRev Partner any amount when due, TradeRev and TradeRev Partners will be entitled to exercise the rights and remedies of a secured creditor as such rights and remedies may be provided by statute, common law, equity or otherwise. Despite any alleged competing security interest in the Customer's Vehicles which may be asserted by a third party, Customer acknowledges that as between Customer and TradeRev, the security interest will be enforceable as to any listed or purchased Vehicle, and TradeRev shall be entitled to all of the rights and remedies of a secured party as provided by law, including but not limited to the right of self-help repossession. Notwithstanding any other language in these Terms and Conditions, if Customer defaults in any obligation imposed upon Customer in conjunction with any TradeRev transaction, Customer agrees that TradeRev shall be entitled as third party beneficiary of the sales contract to enforce against Customer all legal and equitable remedies available to "Seller" or "Buyer" of goods, as appropriate to the particular transaction.

SALE PROCESS

18. *Bidding Process.* Please see our online user guides and best practice guides posted in the Support area of the TradeRev website. If you do not understand the bidding process, please ask one of our customer service representatives to assist you.

19. *Know Your Purchase.* All Vehicles listed for sale on the TradeRev System are used vehicles. Most used vehicles have defects, flaws and/or wear and tear. Please allow for this in your bidding. Buyers should review all Vehicle information made available to them before bidding including appraisals, photographs, videos, Seller's notes, and Vehicle History

Reports. It is the Buyer's responsibility to verify the condition and history of the Vehicle within the applicable arbitration period.

20. *Risk.* TradeRev assumes no liability for loss or damage to Vehicles listed on the TradeRev System. TradeRev does not provide insurance coverage for Vehicles.

21. *Vehicle Availability*. Seller must mark the Vehicle as "Arrived" in the TradeRev System no later than two (2) business days after the "Date Expected" indicated on the Vehicle Detail Page; otherwise, the transaction may be cancelled at Buyer's option. As soon as a vehicle release form is issued, Seller is required to make the Vehicle available for pick-up at the location indicated on the Vehicle Detail Page. If Seller fails to do so, TradeRev may (at its discretion): (i) require Seller to pay part or all of Buyer's transportation costs, floor plan financing costs, interest charges, services charges; (ii) charge Seller an administration fee; and/or (iii) cancel the transaction and require Seller to repay any sale proceeds paid. Customer shall promptly remove from the TradeRev System any Vehicle that is no longer available for sale.

22. *Buyer Vehicle Inspection Obligations*. Buyer or Buyer's agent should carefully inspect the Vehicle at the time it is picked up from the Seller's location. Any concerns must be noted on the Bill of Lading which should be signed by a representative of the Seller. In addition, Buyer is required to communicate any concerns to TradeRev within the arbitration period.

23. *TradeRev Field Services*. Customer may request that a TradeRev representative visually inspect a Vehicle, complete the listing, including input of a Floor Price, and, in certain cases, launch the Vehicle into the TradeRev System on Customer's behalf. Customers must make all disclosures required under these Terms and Conditions and verify Vehicle listings by correcting any errors or omissions regarding disclosed conditions. Customers are responsible for the accuracy and completeness of all information about Vehicles entered in the TradeRev System regardless of whether Customer relied on TradeRev or third-party resources.

24. *Post-Sale Inspection Services*. Customer may request that a post-sale inspection be performed on a Vehicle by contacting TradeRev or selecting this service on the applicable section of the TradeRev website. All post-sale inspections are subject to the terms and conditions associated with the type of inspection selected.

25. *Transportation*. For Vehicles sold through the TradeRev System, a Buyer may request that TradeRev or a TradeRev Partner arrange transportation on Buyer's behalf. TradeRev and the TradeRev Partners provide this service for a Fee and as a convenience for Buyers; however, TradeRev and the TradeRev Partners do not warrant or otherwise endorse the services provided by third party transportation companies. By requesting TradeRev or a TradeRev Partner to arrange for the transportation of a Vehicle, Buyer agrees to the terms in this Section:

    a) By electronically or verbally requesting transportation services for a specific Vehicle, Buyer authorizes and directs TradeRev or a TradeRev Partner to arrange the transportation of such Vehicle on Buyer's behalf with a third-party carrier.

    b) Buyer will pay TradeRev or the TradeRev Partner the transportation charges as shown on the applicable webpage or as otherwise communicated to Buyer on or before the payment due date. Transportation will not be arranged until Buyer has paid all Fees including all transportation charges.

    c) Any delivery dates provided are estimates only. Neither TradeRev nor the TradeRev Partners guarantee that the Vehicle will be delivered within the indicated timeframe and are not liable for any costs or losses associated with the late delivery of any Vehicle.

    d) Risk of loss for a Vehicle remains with the Seller until the transportation company picks up the Vehicle from the Seller's location, at which point the risk of loss for the Vehicle is transferred to the Buyer. If the Vehicle is damaged in transit, TradeRev or TradeRev Partner will, as a convenience to Buyer, use commercially reasonable efforts to assist Buyer in making a claim against transportation company or its insurer, but neither TradeRev nor TradeRev Partners are liable for any damage that occurs to the Vehicle in transit or any other liability or claim that may arise or relates in any way to the transport of the Vehicle. TradeRev and TradeRev Partners are not responsible for prosecuting a claim against the carrier or its insurer on Buyer's behalf.

    e) Buyer agrees to indemnify and hold harmless TradeRev and TradeRev Partners and each of their officers, employees, and agents from any and all claims, expenses, losses and costs associated with any personal injury, property damage or delay, that may occur or that relates in any way to the transportation of Vehicles.

26. *Post-Sale Inspection.* All Buyers are strongly encouraged to arrange for a post-sale inspection of all Vehicle purchases. If a Vehicle sale is cancelled due to arbitration, TradeRev may, in its discretion, limit the losses recoverable by Buyer (including Vehicle transportation costs) on any Vehicle sold without a post-sale inspection.

27. *Vehicle History Reports*. Vehicle history reports from an accepted industry source regarding the history and condition of a vehicle ("**Vehicle History Reports**") are required on all Vehicles listed for sale on the TradeRev System. TradeRev is not responsible for the accuracy of Vehicle History Reports. Vehicle History Reports must meet the following minimum standards:

    a) Insured claims history of Accident Repair from each province where Vehicle has been registered including claim amount;

    b) Ownership and registration history including title branding and odometer history (all provinces and U.S.);

    c) Vehicle import records (if applicable);

    d) Canadian Police Information Centre (CPIC) data;

    e) Disclosure data from the Vehicle History Report must be made available to bidders prior to sale;

    f) Vehicle History Report must be available in both English and French for Vehicles offered for sale to Quebec bidders; and

    g) Vehicle History Report must be made available to Buyer for a reasonable period of time after the Vehicle is marked Won in the TradeRev System (hard copy or downloadable print format).

SELLER OBLIGATIONS

28. *Seller Responsibilities*. A Seller will build confidence in its product and credibility with Buyers by disclosing all material facts about the history and condition of Vehicles offered for sale. It is Seller's obligation to fairly represent its Vehicle and to correct any errors made regarding disclosed conditions. Seller is responsible for the accuracy and completeness of all disclosures regardless of whether Seller has relied on third party resources (e.g. inspection company, vehicle listing service, electronic data vehicle history report, VIN decoder, etc.).

29. *Online Photographs and Video*. Photographs and video must accurately and fairly represent the condition of the Vehicle. Photographs/video of damage or other conditions that could materially affect the value of a Vehicle should be provided.

30. *Disclosures*. A Seller who lists a Vehicle for sale on the TradeRev System is required to disclose the information listed in the table below (each a "**Disclosure**") in the Vehicle detail page of the TradeRev System. The list is not intended to be exhaustive. As vehicles and our industry change, the disclosure obligations required of Sellers may similarly change. Accordingly, TradeRev reserves the right to consider other information not specifically listed below. Please note that OBD II codes are provided for informational purposes only; therefore, disclosure of an OBD II code does not impact a Buyer's ability to arbitrate a Vehicle.

Disclosure	Interpretation	Arbitration Period
ABS Defective	The Seller must disclose if the anti-lock braking system is not operational (if equipped). Arbitration is only available for repairs over the applicable Arbitration Dollar Threshold (see Major Repair).	Regular
Accident Repair *$* _____	The Seller must declare a Vehicle to be Accident Repaired if the total cost to fix damage caused by a single incident was $3,000 or more ($2,000 cumulative incidents in British Columbia). The Accident Repair declaration must be made regardless of whether the damage was caused by collision, accident, weather or by some other incident.	Regular

Disclosure	Interpretation	Arbitration Period
	If the dollar value of the Accident Repair is known, it must be disclosed. If the dollar value of the Accident Repair is not known but estimate data is available, the estimate data should be disclosed. Although not required, if the Seller chooses to disclose an accident repair under $3,000 ($2,000 cumulative in B.C.), it may do so separately as an additional disclosure. Arbitration is not allowed for Accident Repairs under $3,000 ($2,000 cumulative in B.C. only).	
Adjacent Panels Replaced	The Seller must declare if two or more adjacent panels (excluding bumper panels) have been replaced on a Vehicle. Please note: If the panels were replaced due to an accident or other incident, depending on the cost of the repairs, it may also be necessary for the Seller to make the Accident Repair Disclosure.	Regular
Air Bags Missing/Defective	The Seller must disclose if the Vehicle's airbags are missing or not operational. If the airbag warning light is "on", it must be disclosed. Arbitration is only available for repairs that exceed the Arbitration Dollar Threshold (see Major Repair).	Regular
Alternate Fuel or Conversion	The Seller must disclose if the Vehicle uses propane or natural gas, or at any time had a propane or natural gas fuel system.	Regular
Excessive Rust	The Seller must disclose if the Vehicle suffers from excessive rust. Rust is considered to be excessive when the location or quantity of the rust affects the structural integrity of the Vehicle, e.g. the frame or any structural component is perforated by rust.	Regular
Fire Damage	The Seller must disclose if the Vehicle has been damaged by fire.	Extended
Flood Damage	The Seller must declare a Vehicle as Flood Damaged when: • water or other liquid has penetrated the Vehicle to the level of the floor boards or higher; or • if any of the following components have been damaged due to immersion: ➢ Front or rear lighting or wiring harnesses ➢ Engine and its major components ➢ Transmission and differential ➢ Dash instrument panel and wiring ➢ Passenger seat cushions ➢ Power seat or window motor ➢ Major sound system components	Extended
Grey Market[1]	The Seller must declare if the Vehicle was ever registered in a country other than the United States or Canada in the past 36 months or manufactured not in compliance with North American standards. All Grey market Vehicles offered for sale must include a Vehicle History Report, or equivalent.	Regular

[1] BC mandates a Seller to disclose if a vehicle was brought to BC for the purposes of resale. If known, this disclosure should also be made. Otherwise, Buyer should review the registration history to determine whether this disclosure is applicable. No arbitration is available regarding this disclosure.

Disclosure	Interpretation	Arbitration Period
Incorrect Vehicle Marking	The Seller must disclose if any logo, badge, decal, emblem, ornament or similar markings on the Vehicle do not match the make, model or series of the Vehicle.	Regular
Irreparable	Regardless of whether the title has been branded, the Seller must disclose if the Vehicle is not capable of being repaired for roadworthy operation and may only be used for parts or scrap. Irreparable Vehicles are assumed to also be Total Loss Vehicles and thus the Total Loss declaration does not need to be made.	Extended
Kms _____	If the odometer reading is accurate, the Seller must disclose the distance the Vehicle has travelled as indicated on the odometer. As Vehicles may be driven before they are marked *Arrived* in the TradeRev System, the odometer reading on the Vehicle when picked up by the Buyer may be different than the odometer reading indicated in the Vehicle listing. An odometer discrepancy due to interim Vehicle use will not be subject to Arbitration unless the discrepancy is significant given the lapse of time between the Vehicle listing date and the *Arrived* date.	Extended
Major Repair _____*(details)*	Where the cost of repair exceeds the Arbitration Dollar Threshold, the Seller must disclose: (a) if a major component of the Vehicle is defective or not operational; (b) body damage (including hail damage); (c) non-mechanical or non-electrical defects (excluding Wearable Items and Normal Exterior Wear and Tear); and (d) listed accessories that are not working (e.g. cruise control, lane departure warning). **Arbitration Dollar Threshold**: *Vehicle Sale Price* — *Arbitration Dollar Threshold* Under $42,500: $850 $42,500 and over: 2% of the Vehicle sale price The Arbitration Dollar Threshold is calculated before taxes, on a non-cumulative basis and in accordance with standard Mitchell warranty rates. Major components include: ➢ Engine ➢ Transmission ➢ Power train ➢ Sub-frame ➢ Electrical/Air ride suspension ➢ Computer equipment ➢ Fuel operating system ➢ Electrical system ➢ Emissions system ➢ Anti-lock braking system Wearable Items and Normal Exterior Wear and Tear are not subject to arbitration. *Wearable Items* are parts of the Vehicle that the manufacturer recognizes the need for replacement or adjustment during the expected life of the Vehicle. These items are normally identified in the Owner's Manual for routine check and replacement and include but are not limited to: wipers, brake pads,	Regular

Disclosure	Interpretation	Arbitration Period
	shoes, rotors, calipers, belts, hoses, lubricants, fluids, timing belts, bulbs, filters, manual clutch, shocks and struts. *Normal Exterior Wear and Tear* means damage that would be considered normal wear and tear given the distance travelled and age of the Vehicle and is not easily seen, such as scratches that do not break the paint, minor nicks, cuts and/or scuffs.	
Manufacture Repurchase _____(details)	The Seller must disclose if the Vehicle was repurchased by the manufacturer under the Canadian Motor Vehicle Arbitration Plan or under the laws of any jurisdiction including but not limited to U.S. lemon laws. If the reasons for, date and/or jurisdiction of the repurchase are known, they should be disclosed.	Regular
Material Variation from Production Specs	The Seller must disclose if the Vehicle varies materially from the original manufacturer's specifications.	Regular
Odo 5 digit	The Seller must disclose if the odometer is a 5 digit odometer with over 100,000 miles or kilometers.	Regular
Odo Broken/Faulty	The Seller must disclose if the odometer of the Vehicle is broken or faulty, i.e. not accurately tracking distance driven.	Regular
Odo in Miles	The Seller must disclose if the odometer is in miles.	Regular
Odo Replaced	The Seller must disclose if the odometer has been replaced.	Extended
Odo Roll back	The Seller must disclose if the odometer has been rolled back.	Extended
Odo Unreadable	The Seller must declare the odometer to be unreadable if it is accurately tracking distance driven but cannot be read due to pixel damage, because the Vehicle cannot be started to obtain an odometer reading, or similar reasons.	Regular
Out of Province[2] *_____(list)*	If the province of the last registration (or equivalent) to a retail customer is different than the jurisdiction from which the Vehicle is currently being sold, the Vehicle must be declared an out of province Vehicle and the Seller must identify the last province in which the Vehicle was registered (or equivalent) to a retail customer. For Vehicles sold in Ontario only: A Vehicle remains an out of province Vehicle and must be so declared, if it was previously registered to a retail customer in another province and has been registered in Ontario for less than 7 consecutive years. The Seller must declare all of the provinces in which the Vehicle was previously registered.	Regular
Previous Daily Rental	The Seller must disclose if the Vehicle was previously used as a daily rental vehicle at any time in the previous 24 months.	Regular
Previous Driving School Vehicle	The Seller must disclose if the Vehicle was previously used as a driving school vehicle.	Regular
Previous Emergency Services Vehicle	The Seller must disclose if the Vehicle was previously used as an emergency services vehicle.	Regular

[2] The Out of Province Disclosure only needs to be made in those provinces where the disclosure is required by law.

Disclosure	Interpretation	Arbitration Period
Previous Police Vehicle	The Seller must disclose if the Vehicle was previously used as a police cruiser.	Regular
Previous Racing Vehicle	The Seller must disclose if the Vehicle was previously used in organized racing.	Regular
Previous Taxi/Limo	The Seller must disclose if the Vehicle was previously used as a taxi or limousine.	Regular
Stolen and Recovered	The Seller must disclose if the Vehicle was recovered after being reported stolen.	Extended
Structural Alteration	The Seller must disclose if there has been an alteration to the Vehicle's structure such as lengthened or shortened frame, modified suspension, snow plow, hitch or fifth wheel.	Regular
Structural damage	The Seller must declare a Vehicle to have structural damage if there has been damage to the structure or a specific structural component of the Vehicle that meets the definition of structural damage set out Section VIII of the National Auto Auction Association's Arbitration Policy regarding Structural Damage. (See the Standards section of the NAAA website found at www.naaa.com.)	Extended
Title Branded _____(brand)	The Seller must disclose if the Vehicle's title has been branded in accordance with provincial or state law and must indicate the brand(s) assigned. Please see Section 62 for important information regarding registration of Rebuilt Vehicles out of province.	Extended
TKU	The Seller must declare a Vehicle TKU (true kilometers unknown) if the distance traveled is unknown and there are no reliable records available to verify the odometer reading as of a certain date. When this Disclosure is made, it should be assumed that the total distance that the Vehicle has been driven is substantially higher than the reading shown on the odometer.	Extended
TKU _____km as of _____(date)	If the total distance driven is unknown, but based on reliable records, the distance driven as of a certain date is known, the Seller must declare the last known distance and provide the date. When this Disclosure is made, it should be assumed that the total distance that the Vehicle has been driven is higher than the reading shown on the odometer.	Extended
Total Loss	The Seller must disclose if an insurer determined the Vehicle was a total loss. A Vehicle is deemed to be a total loss if the Vehicle was ever transferred into the name of an insurer.	Extended
U.S. Vehicle[3]	The Seller must disclose if the Vehicle was ever registered in the United States or manufactured not in compliance with Canadian standards. All U.S. Vehicles offered for sale must include a Vehicle History Report, or equivalent.	Regular
VIN Plate issues	The Seller must disclose if the original VIN plate (on the driver's side of the dashboard) has been removed, altered or replaced. Vehicles may not be	Regular

[3] BC mandates a seller to disclose if a vehicle was brought to BC for the purposes of resale. If known, this disclosure should also be made. Otherwise, Buyer should review the registration history to determine whether this disclosure is applicable. No arbitration is available regarding this disclosure.

Disclosure	Interpretation	Arbitration Period
	offered for sale unless the original VIN plate is intact or has been replaced in accordance with provincial and federal regulatory requirements.	
Warranty Cancelled	The Seller must disclose if the manufacturer has cancelled the warranty on the Vehicle or has given notice of its intention to do so. Notice of warranty cancellation given after the date of sale is not subject to arbitration.	Regular
Year _____ *Make* _____ *Model* _____ *Series* _____	The Seller must disclose the year, make, model and series (i.e. trim level) of the Vehicle as indicated by means of VIN decoding.	Regular

31. Q&A

a) Comments and commitments made by the Seller in the Q&A area of the TradeRev System ("**Q&A**") will be binding on the Seller regardless of whether the Buyer who *Won* the Vehicle viewed the Q&A exchange. For example, if the Seller stated in Q&A that the Vehicle comes with 4 snow tires, the Seller will be required to provide the Vehicle with 4 snow tires regardless of whether the Buyer who Won the Vehicle participated in the Q&A exchange.

b) Disclosures made by the Seller in Q&A are not binding on the Buyer unless the Q&A exchange in which the Seller made the Disclosure was with the Buyer who *Won* the Vehicle. For example, if the Seller stated in Q&A that the Vehicle's air bag light is on but did not make the air bag Disclosure in the Vehicle detail page, the air bag Disclosure will only be binding on the bidder who participated in the Q&A exchange. Bidders are not expected to review Q&A exchanges in which they did not participate. Accordingly, the Q&A air bag Disclosure will only bind the bidder who participated in the Q&A exchange regarding the air bag Disclosure.

c) When a Vehicle is re-launched in the TradeRev System, prior Q&A comments are removed. Sellers should include any relevant information from prior Q&A exchanges in the detail page for the re-launched Vehicle. Bidders should be aware that any commitments made by Seller in previous Q&A exchanges no longer apply to the re-launched Vehicle unless confirmed by the Seller for the re-launched Vehicle.

32. *Title/Ownership.* When you mark a Vehicle as *Arrived*, you are guaranteeing, representing and warranting to TradeRev and to the Buyer that you are authorized to sell the Vehicle, have good title to the Vehicle and that the Vehicle is free of all liens, charges, hypothecs, and encumbrances of any nature or kind whatsoever. Seller is required to provide TradeRev with the original ownership in Seller's name within 48 hours of the date the Vehicle is marked *Arrived* in the TradeRev System (not applicable to Vehicles registered in Alberta or Saskatchewan). If Seller fails to deliver the original ownership documents as required, Seller will be charged the cost of obtaining a replacement ownership plus administrative fees. If the Vehicle is from Alberta or Saskatchewan, please note that the TradeRev bill of sale stands as the Vehicle registration document. For Alberta Vehicles, a Letter of Registration Confirmation from the applicable Alberta Ministry may be provided on request (fee applies). If you are intending to register an Alberta or Saskatchewan Vehicle in another province, please confirm the documentation requirements with the applicable provincial licensing office before bidding to ensure that you will be able to satisfy them. Regardless of the method of payment and the status of the ownership registration, title to a purchased Vehicle does not pass to the Buyer until payment in full has been made and the funds have actually been received by TradeRev. Seller reserves ownership of the Vehicle, and title to and ownership of the Vehicle will not transfer to Buyer until the sale price for the Vehicle has been paid in full to TradeRev for benefit of Seller. Please note that the arbitration process does not in any way alter a Buyer's obligations with respect to payment for Vehicles. If the purchase of the Vehicle is financed by any lender (a "**Lender**") and the purchase price for the Vehicle is paid to Seller (via TradeRev) by such Lender on behalf of Buyer (or by Buyer out of the proceeds of such financing), (i) Seller hereby assigns all of its rights under this contract, including its reservation of ownership, to Lender, and Buyer consents to such assignment, (ii) Buyer consents to the publication of a reservation of ownership by Seller and of the assignment thereof to Lender, by Seller, Lender or their representatives, (iii) Seller shall remain responsible as seller hereunder notwithstanding such assignment and shall indemnify and hold Lender harmless of any liability hereunder, and (iv) all terms and conditions of the loan and security agreement entered into or to be entered into from time to time by Buyer and Lender shall be applicable hereto and the purchase price of the

Vehicle shall be payable in accordance with the provisions applicable to an advance made thereunder. If the purchase of the Vehicle is not financed by any lender, the Seller hereby assigns all of its rights with respect to the Vehicle to TradeRev.

33. V.I.N. Sellers may not offer a Vehicle for sale unless the original VIN plate is intact or has been replaced in accordance with provincial and federal regulatory requirements.

34. *Vehicle Sales*

a) Vehicles that have been marked *Arrived* in the TradeRev System must at all times be under the lawful possession, custody and control of the Seller.

b) Seller will be required to upload to the TradeRev System a copy of the Vehicle ownership registered in the name of the Seller and send the original ownership document (excluding Vehicles registered in Alberta and Saskatchewan) to TradeRev before receiving payment.

c) Seller shall not release a Vehicle to the Buyer or its representative until the Buyer has paid the Seller for the Vehicle or, if payment is made to TradeRev or a TradeRev Partner, until the Seller has received confirmation that the funds have cleared the Buyer's bank. TradeRev and TradeRev Partners do not guarantee payment from the Buyer. The Seller will be liable for all Losses due to the unauthorized or premature release of a Vehicle.

d) TradeRev reserves the right to remove a Vehicle posted on the TradeRev System at any time.

e) After a Vehicle has been marked *Won* in the TradeRev System, the Seller must advise TradeRev immediately if the Vehicle cannot be made available to the Buyer (e.g., the Vehicle has been sold to a retail customer). In such an event, the Seller will be liable for a penalty fee in an amount fixed at TradeRev's sole discretion. In addition, Customers who attempt to avoid payment of Fees by negotiating private sales on Vehicles offered or intended to be offered for sale through the TradeRev will be subject to penalty Fees and may have their TradeRev privileges temporarily or permanently suspended.

f) When a Vehicle has been marked as *Arrived* in the TradeRev System, the Seller will make the Vehicle (with at least one set of working keys) available for pick-up at the location specified on the Vehicle listing page. If the Seller fails to do so, TradeRev may at its discretion: (i) charge the Seller a penalty fee, (ii) require Seller to pay some or all of Buyer's Fees and costs, including but not limited to transport, "dry run" fees, floor plan financing interest charges and/or service charges, and/or (iii) cancel the transaction and require Seller to refund all sale proceeds to TradeRev, which will refund the Buyer.

35. *Vehicle Pick-Up.* Vehicles cannot be removed from the Seller's lot until paid in full. Buyers arranging transportation services on their own, through TradeRev or a TradeRev Partner, must ensure that the Total Payment Amount is paid in full prior to pick up by the transportation service provider. Buyers are required to pick up vehicles within five (5) calendar days after a vehicle is marked "Arrived" in the TradeRev System. Failure to do so may result in arrangement of transportation or assessment of storage fees at TradeRev's sole discretion, in each case at Buyer's sole expense. For clarity, Customers are not entitled to charge storage fees for Vehicles transacted via the TradeRev System, whether or not such transactions are ultimately cancelled.

TRADEREV ARBITRATION POLICY

36. *Arbitration Policies*. TradeRev offers an arbitration service to resolve disputes between Buyers and Sellers. Our arbitration service is governed by the terms and conditions in Sections 36 to 55 (collectively, the "**TradeRev Arbitration Policy**"). The TradeRev Arbitration Policy may be managed on behalf of TradeRev by ADESA Auctions Canada Corporation, ADESA Montreal Corporation, ADESA Quebec Corporation and/or Openlane Canada, Inc. (collectively, "**ADESA**"), both TradeRev Partners. Accordingly, references in the TradeRev Arbitration Policy to TradeRev shall also include ADESA. The arbitration process is designed to be fair, impartial, quick, and economical.

37. *Acknowledgement*. By accessing the TradeRev System or otherwise using TradeRev's services, you acknowledge and agree that any dispute arising due to the purchase or sale of a Vehicle will be resolved in accordance with the TradeRev

Arbitration Policy. You hereby appoint TradeRev to serve as Arbitrator and empower it to render a final, binding decision in settlement of all Claims submitted for arbitration.

38. *Definitions*. In addition to the terms defined elsewhere in these Terms and Conditions, the following definitions apply:

"*Arbitrator*" means the TradeRev personnel responsible for adjudicating disputes and managing the dispute resolution process contemplated in this Policy.

"*As-Is*" means the Vehicle is being sold with limited arbitration rights.

"*Claim*" means a claim submitted by the Buyer of a Vehicle for arbitration.

"*Major Deception*" means an act, representation or omission that materially affects the value of the Vehicle and, having regard to all of the circumstances, would reasonably be regarded as misleading, unprofessional, or unethical.

"*Policy*" or "*Policies*" mean the TradeRev Arbitration Policy.

39. *Buyer Obligations*. Before bidding on a Vehicle, Buyer is required to know the arbitration rules in place for the Vehicle. In addition, Buyer should carefully review all disclosed information including descriptions, photos, videos, condition reports and vehicle history reports. To preserve arbitration rights, Buyers are strongly encouraged to be diligent in their inspection and research of Vehicle purchases within the relevant arbitration period.

40. *As-Is Vehicles*. Arbitration rights are limited for As-Is Vehicles (see Section 51). Only Vehicles (i) with more than 160,000 kilometers, (ii) with more than 10 model years, (iii) not intended for use on a public roadway (e.g., boats, snowmobiles or equipment), (iv) that are antique vehicles, recreational vehicles, motorhomes or motorcycles, or (v) sell for less than $3,000 may be sold As-Is. Arbitration for mechanical issues will be rarely permitted for As-Is Vehicles and for Vehicles that sell for less than $3,000 and, in each case, will generally be limited to undisclosed major engine/transmission issues making the Vehicle undriveable (i.e., Major Deception).

41. Making an Arbitration Claim

a) *Start Arbitration Claim*. Before starting a Claim, Buyer must pay all amounts owing for the Vehicle including any transportation costs. Buyer starts arbitration Claim by submitting appropriate information and documentation online to TradeRev's arbitration department through TradeRev's Customer Service Portal or by email to support@traderev.com before the expiry of the arbitration period. Buyer submits the following information: Buyer's name and telephone number; contact person and telephone number; Vehicle VIN, model and year; Delivery Time; and a description of the issue(s) to be arbitrated.

b) *Submit Supporting Documentation*. No later than 2 business days after starting the Claim, Buyer is required to submit supporting documentation including but not limited to: (i) the original online description of the Vehicle (condition report, Vehicle detail page, etc.) (ii) digital photographs of the defect(s) underlying the Claim, (iii) diagnostic reporting and wholesale (not retail) repair estimates from an independent and reputable source or evidence of an appointment scheduled in order to obtain such repair estimates; and (iv) bill of lading, transport release form, or other form of delivery receipt from transportation company, if applicable. Seller has two (2) business days to respond to arbitrator's inquiries and preliminary findings. If Seller fails to respond within the time limit, the arbitrator may decide the arbitration claim without further input from Seller. If the arbitration results in cancellation of the sale or other remedy in favour of Buyer, the Seller is required to reimburse Buyer its transportation costs and up to $95 of costs incurred (verified by invoice and before taxes) of obtaining repair estimates. Seller is required to pay any award amount that is determined by the arbitrator to be payable within three (3) business days. If payment is not received within the time limit, TradeRev reserves the right to assess a late payment charge and/or deduct the award amount from any amounts payable by TradeRev to Seller.

42. *Buyer's Obligations*. Buyer will not use any Vehicle that is subject to an arbitration Claim. Buyer may lose the right to make or continue a Claim if Buyer drives Vehicle other than for test-driving purposes (not to exceed 250 kms). Buyer must, at its own expense, take reasonable steps to care for, preserve, secure and store the Vehicle until the Vehicle is properly returned. Buyer is not entitled to charge any parking, marshalling or other fees in connection with its

preservation of the Vehicle. Buyer will be charged the cost of damage repair and/or assessed a penalty fee for any breach of this provision.

43. *Arbitration Periods*. Depending on the nature of the Claim, the Arbitration period will either be *Regular* or *Extended*. The Regular arbitration period is two (2) business days after the Vehicle is picked up by the Buyer. The Extended arbitration period is seven (7) calendar days from the date the Vehicle is picked up by the Buyer.

44. *Vehicle History Report Disclosures*. Each Vehicle is accompanied by a Vehicle History Report. No arbitration is available for disclosures in a Vehicle History Report that is made available before bidding begins. Please ensure that you review the Vehicle History Report carefully before bidding. For information disclosed in a Vehicle History Report delivered after the sale, the arbitration period is one (1) business day after the Vehicle History Report is delivered to the Buyer or the Extended arbitration period, *whichever is less*.

45. *Lengthening the Arbitration Period*. TradeRev reserves the right to lengthen the arbitration period when, in the opinion of TradeRev it would be fair and reasonable to do so. Although the Seller is required to make all applicable Disclosures, the Buyer is also required to be diligent in its inspection and research of its Vehicle purchases. Thus, if, by exercising reasonable diligence, the Buyer could have discovered a potential arbitration issue within the applicable time period, it is unlikely that an exception to the arbitration time limits will be made.

46. *Investigation*. The Arbitrator will review only issues identified in the initial Claim. The Arbitrator may, but is not required to, consult with the Buyer, Seller or both parties to gain a better understanding of the issue(s) under arbitration. Depending on the issue, the Arbitrator may also seek the advice of mechanics, trained vehicle inspectors or other automotive professionals. When appropriate, the Arbitrator may refer the Vehicle to an external resource such as a specialty shop for consultation.

47. *Decision*. After completing the investigation, the Arbitrator will decide whether the arbitration Claim is valid. Before deciding what the remedy should be, the Arbitrator may attempt to mediate a resolution between the Buyer and the Seller. If agreement cannot be reached, the Arbitrator will decide the appropriate remedy, if any.

48. *Remedies.* The Arbitrator has a broad discretion to grant any remedy or relief that he/she considers to be fair and reasonable in the circumstances. The purpose of the arbitration remedy is to ensure that the Buyer is fairly compensated for its loss. In some circumstances, such as where a Disclosure does not affect the value of the particular Vehicle, there may be no loss and thus no remedy. Remedies could involve: cancellation of the sale and refund of the purchase price, reimbursement of costs and/or expenses incurred including transportation costs, partial refund of the purchase price, repair of defect at Seller's expense, repair of defect with the costs apportioned between the Buyer and the Seller, no financial or other compensation, or similar remedies.

49. *Arbitration Fees and Costs*. TradeRev reserves the right to assess an arbitration Fee against the Buyer and/or Seller. If TradeRev incurs costs as part of its investigation (e.g. referral to an external resource, towing, transportation, etc.) the Arbitrator, as part of the remedy imposed, will determine liability to pay the costs incurred. Arbitrations that result in the cancellation of a Vehicle sale may be subject to a void Fee at TradeRev's discretion.

50. *Finality*. The decision of the Arbitrator and the remedy imposed is final and binding on the Buyer and Seller. By accessing the TradeRev System, the Buyer and Seller agree to participate in TradeRev's arbitration process and to observe, perform and be bound by the decision of the Arbitrator. Upon fulfilling the Arbitrator's decision, the Buyer and Seller are deemed to release each other from all claims and demands in respect of the matters referred to arbitration.

51. *Return Process*. If the sale is cancelled, Buyer and Seller will follow the instructions provided by the Arbitrator regarding arrangements for pick-up and delivery of the Vehicle. If Vehicle is returned to an ADESA auction location, the Vehicle will not be considered returned until it is received, inspected and approved for return by ADESA auction management. A returned Vehicle must be in the same or better condition as when it was sold. An excess mileage fee may be assessed against returned Vehicles.

52. *Limitations on the Availability of Arbitration*. Although there may be limitations on the availability of arbitration, Sellers are cautioned that TradeRev does not tolerate deceptive selling practices. Accordingly, TradeRev reserves the right to allow for arbitration notwithstanding the entries in the table below if TradeRev determines that the Seller has engaged

in Major Deception. Buyers should note that arbitration for antique vehicles, recreational vehicles, motor homes or motorcycles, arbitration is generally limited to cases of Major Deception.

Arbitration is not available for the following:	*Exceptions:*
Matters that were properly disclosed as Seller Disclosures.	None
Matters disclosed in a Vehicle History Report, Vehicle appraisal, Vehicle detail page, condition report or similar source made available to the Buyer via the TradeRev System before the Vehicle sale is finalized.	None
As-Is Vehicles	Odometer (Odo Roll back, Odo Replaced, TKU) Title issues Branding issues Existing structural damage
Vehicles that sell for less than $3,000 (all listing categories)	Odometer (Odo Roll back, Odo Replaced, TKU) Title issues Branding issues Existing structural damage
Matters raised outside of the applicable arbitration period.	At TradeRev's discretion
General Reconditioning Items and Normal Wear and Tear	None

53. *Customers*. Arbitration is a service available to TradeRev Buyers and Sellers only and not to their customers. The service is not available if the Buyer no longer has possession or ownership of the Vehicle.

54. *Legal Proceedings*

a) No action or legal proceedings will be commenced or prosecuted by the Buyer or the Seller against the other concerning: (i) Any matter that is or was the subject of arbitration unless to enforce the terms or conditions of the Arbitrator's decision; or (ii) Any matter for which arbitration is not available under the Terms and Conditions unless arbitration is not available because and only because the time limit for submitting the matter to arbitration including any extension of the time period has expired.

b) No action or legal proceeding will be commenced or prosecuted by the Buyer or the Seller against TradeRev or any TradeRev Partner for any matter, cause or thing directly or indirectly related to TradeRev System or services, including but not limited to arbitration services. Unless otherwise prohibited by law, Buyer and the Seller release and waive all rights, remedies, claims, and causes of action against TradeRev and TradeRev Partners from any claim or remedy whatsoever, whether known or unknown, for or by reason of using the TradeRev System, services or services provided by TradeRev Partners including but not limited to arbitration services.

55. *Please Note*. The arbitration process is not a tool for price reduction or for dealing with "Buyer's remorse". Buyers are cautioned to avoid impulse buying and to review all available information thoroughly before bidding. All used Vehicles generally have flaws and may require repairs. Buyers should allow for this in their bidding. Arbitrations are regularly monitored by TradeRev. Sellers who repeatedly fail to properly represent their Vehicles or Buyers who repeatedly submit questionable arbitration Claims, may have their rights of access to the TradeRev System and services temporarily or permanently suspended.

ADDITIONAL TERMS AND CONDITIONS

56. **DISCLAIMER OF WARRANTIES**. TRADEREV AND THE TRADEREV PARTNERS PROVIDE THE TRADEREV SYSTEM AND ALL RELATED SERVICES TO CUSTOMER ON AN "AS IS" AND "AS AVAILABLE" BASIS, AND HEREBY DISCLAIM ALL EXPRESS AND IMPLIED WARRANTIES RELATED TO CUSTOMER'S AND/OR AUTHORIZED USER'S USE OF AND ACCESS TO THE

TRADEREV SYSTEM AND ANY RELATED SERVICES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR ANY WARRANTIES WHICH MAY BE CREATED THROUGH COURSE OF DEALING OR USAGE OF TRADE. CUSTOMER UNDERSTANDS THAT THERE MAY BE INTERRUPTIONS, DELAYS, INACCURACIES, OMISSIONS, AND/OR OTHER PROBLEMS WITH THE TRADEREV SYSTEM, INFORMATION, AND/OR VEHICLE LISTINGS PUBLISHED ON THE TRADEREV SYSTEM, AND THAT TRADEREV WILL NOT BE LIABLE TO CUSTOMER, AUTHORIZED USERS OR TO ANY THIRD PARTY THEREFOR. TRADEREV DOES NOT WARRANT THAT THE TRADEREV SYSTEM WILL BE ERROR FREE, CONTINUOUSLY AVAILABLE, FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS OR MEET CUSTOMER'S OR ANY THIRD PARTY'S REQUIREMENTS.

57. **EXCLUSION OF CERTAIN LIABILITIES**. UNDER NO CIRCUMSTANCES SHALL TRADEREV, THE TRADEREV PARTNERS OR THEIR RESPECTIVE AFFILIATES, EMPLOYEES, OFFICERS, DIRECTORS, AGENTS, LICENSORS, INDEPENDENT CONTRACTORS, OR SUPPLIERS (THE "**TRADEREV PARTIES**") HAVE ANY LIABILITY TO CUSTOMER OR AUTHORIZED USERS FOR ANY DIRECT, CONSEQUENTIAL (INCLUDING LOST PROFITS), EXEMPLARY, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OR COSTS RESULTING FROM ANY CLAIM (WHETHER IN CONTRACT, TORT, EQUITY, NEGLIGENCE, OR STRICT LIABILITY) RELATED TO OR ARISING OUT OF THE TRADEREV SYSTEM, ANY RELATED SERVICES, THESE TERMS AND CONDITIONS, INCLUDING THE PERFORMANCE OR BREACH THEREOF OR THE USE OR INABILITY TO USE, OR PERFORMANCE OR NON-PERFORMANCE OF THE TRADEREV SYSTEM OR ANY COMPONENT THEREOF, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

58. LIMITATIONS OF LIABILITY

    a) WITHOUT LIMITING SECTIONS 56 AND 57 ABOVE, THE LIABILITY OF ANY TRADEREV PARTIES FOR ANY BREACH(ES) OF THIS AGREEMENT SHALL BE LIMITED TO ACTUAL, DIRECT DAMAGES INCURRED BY CUSTOMER AS A RESULT OF SUCH BREACH(ES), AND ITS AGGREGATE LIABILITY FOR SUCH ACTUAL DAMAGES SHALL NOT EXCEED, UNDER ANY CIRCUMSTANCES, THE FEES PAID BY CUSTOMER TO TRADEREV OR THE APPLICABLE TRADEREV PARTNER IN RESPECT OF THE TRANSACTION OR SERVICE OR $500, WHICHEVER IS LESS. MULTIPLE CLAIMS SHALL NOT EXPAND THESE LIMITATIONS.

    b) CUSTOMER AGREES THAT THE TRADEREV PARTIES SHALL HAVE NO LIABILITY WHATSOEVER, ACTUAL OR OTHERWISE, TO CUSTOMER OR AUTHORIZED USERS BASED ON ANY OF THE FOLLOWING: (i) ANY DELAY, INTERRUPTION IN USE OF, FAILURE IN OR BREAKDOWN OF THE TRADEREV SYSTEM OR ERRORS OR DEFECTS IN TRANSMISSION OCCURRING IN THE COURSE OF ACCESSING OR USING THE TRADEREV SYSTEM; (ii) ANY UNLAWFUL OR UNAUTHORIZED USE OF THE TRADEREV SYSTEM; (iii) ANY LOSS OF OR DAMAGE TO CUSTOMER'S RECORDS OR INFORMATION; OR (iv) ANY CLAIM RESULTING FROM THE TERMINATION OF ACCESS TO THE TRADEREV SYSTEM OR ANY RELATED SERVICES.

59. *Indemnity*. Customer hereby agrees to indemnify, defend and save harmless the TradeRev Parties from and against all liabilities, losses, suits, claims, demands, costs, fines and actions of any kind or nature whatsoever to which a TradeRev Party shall or may become liable, or which a TradeRev Party may suffer (each an "**Indemnified Claim**") by reason of (i) Customer's breach of the Terms and Conditions or any other obligation hereunder or any agreement between Customer and a TradeRev Party; (ii) Customer's negligence or wilful misconduct; (iii) Transportation Losses; (iv) any personal injury or property damage that Customer or any person for whom Customer is responsible causes to a TradeRev Party; (v) Customer's use of the TradeRev System or any services or products provided by a TradeRev Party; (vi) any actions, omissions or failures to act related to a TradeRev Party's reliance on Customer's authorization as set out in Section 67.

60. *Transportation*. If requested, TradeRev or a TradeRev Partner may transport or arrange through third parties for the transport of Arrived Vehicles. We provide this service for a fee. We do not warrant or otherwise endorse the services provided by third party transportation companies. By selecting the transportation option via the TradeRev System or other means, you authorize TradeRev or a TradeRev Partner to arrange transportation of your Vehicle with a third-party transportation company. In addition, you agree to the following terms and conditions:

    a) Buyer will pay the TradeRev Partner the transportation charges indicated on TradeRev webpage on or before the Payment Due Date. Transportation will not be arranged until Buyer has paid the Total Payment Amount to TradeRev and the transportation charges to the TradeRev Partner.

b) Any delivery times provided are estimates only. We do not guarantee that the Vehicle will be delivered within the timeframe indicated. Neither TradeRev nor any TradeRev Partner will be liable for any costs or losses associated with the late delivery of a Vehicle.

c) Risk of loss for a Vehicle remains with the Seller until the transportation company picks up the Vehicle (the "**Vehicle Pick Up Time**"), at which point the risk of loss for the Vehicle is transferred to the Buyer. If the Vehicle is damaged in transit, the TradeRev Partner will, as a convenience to Buyer, use commercially reasonable efforts to assist Buyer in making a claim against the transportation company or its insurer. This assistance does not involve initiating or prosecuting legal action against the transportation company or its insurer on your behalf. You agree that TradeRev and the TradeRev Partners are not liable for any theft, conversion, loss, injury, death, damage, claim, expense, suit or demand in any way arising out of or relating to the transportation of Vehicles ("**Transportation Losses**").

d) To obtain assistance in making a claim for transportation damage, you should follow the claims procedure described on the applicable TradeRev Partner's website or contact your TradeRev representative for further information.

61. *Export Transactions*. If a Vehicle is to be exported, Buyer is responsible for verifying that it satisfies all export requirements of the originating country and all import requirements of the destination country. TradeRev is not the importer or exporter, and is not responsible for supplying export or import documentation. Arbitration is not available for Vehicles that leave Canada.

62. *Rebuilt Vehicles*. Please note that when registering an out of province Vehicle branded *Rebuilt*, provincial laws require that the brand be automatically changed to *Salvage* when the Vehicle title is registered in another province. For example, a Vehicle registered in BC with a *Rebuilt* title brand will automatically be given a *Salvage* title brand when the Vehicle is registered in Ontario. The Vehicle will need to undergo and satisfy the inspection requirements of the new province for Rebuilt vehicles before the title can be changed to Rebuilt in that province.

63. *Investigations*. TradeRev cooperates fully with all investigations conducted by regulatory, government and police authorities (collectively "**Investigative Authority**"). By doing business at TradeRev, you authorize us to comply with all reasonable requests from any Investigative Authority for information and/or documents concerning you, your business, and/or transaction history. Any Vehicle in the custody or control of TradeRev may be subject to inspection by Investigative Authorities without prior notice to you.

64. *Web Information*. All Web Information is provided as a courtesy and for informational purposes only. Although we try to ensure that Web Information is accurate, errors may occur. In addition, some Web Information may be dependent on subjective interpretation or opinion. Neither TradeRev nor any TradeRev Partner warrants or guarantees the accuracy or reliability of Web Information.

65. *Sales Tax*. The Customer certifies that the Customer holds a certificate license or other permit, issued by the sales tax authority of the province and, if necessary, the locality of the Customer's business or businesses which certificate, license or permit exempts the Customer from the payment of provincial sales tax with respect to the purchase of vehicles and bears the number or numbers set forth in the Customer registration application. Any Vehicles purchased by the Customer at TradeRev are purchased for resale in the form of tangible personal property in the regular course of business, and are of the sort usually purchased by the Customer for resale. In the event that the property is used for any purpose other than for resale, the Customer will pay directly to the proper taxing authorities such sale or use tax as may then accrue and be due and payable.

66. *GST/QST Election*. Customer will execute GST election forms pursuant to subsection 177(1.3) of the Excise Tax Act and QST election forms pursuant to subsections 41.0.1, 41.2 and 41.2.1 of The Act Respecting the Quebec Sales Tax.

67. *Authorization*. Customer hereby appoints TradeRev Partners to be its agent and to act on Customer's behalf and in Customer's name for the purposes of completing and executing Vehicle transfer of ownership documents and sales agreements and to do all things and execute all documents and receipts as Customer's agent relating or incidental to them. TradeRev and TradeRev Partners may, in its discretion use an electronic signature in accordance with Ontario's *Electronic Commerce Act, 2000*, S.O. 2000, and similar provincial and federal laws. Customer authorizes TradeRev and

TradeRev Partners to capture and apply Customer's digital or electronic signature to sale and ownership transfer documents.

68. *Self-Dealing*. Self-dealing is strictly prohibited. "Self-dealing" means activities by any person or entity selling or purchasing via the TradeRev System in which both the Seller and Buyer are the same or related entities, and/or share Authorized Representatives or principals, where TradeRev determines in its sole discretion that the intent and/or the result of such dealing is an artificial manipulation of the TradeRev process to create an unfair advantage or disadvantage or to impose undue risk upon TradeRev or others.

69. *Price Boosting.* Price boosting (aka "shilling"), or any other activity in which a Customer on its own or with others attempts to artificially inflate or decrease the selling price of a Vehicle, is strictly prohibited.

70. *Customer Reviews/Ratings*. The TradeRev System gives Buyers and Sellers an opportunity to rate each other after a transaction. Customer ratings should be professional, fair and based on their genuine experience with the other customer (Buyer or Seller) in the specific transaction. TradeRev will not modify a numerical or quantitative rating assigned by one Customer to another Customer. However, TradeRev reserves the right to remove a Customer rating and/or commentary in the TradeRev System if it includes obscene, offensive or profane language, threatens or advocates harm, or promotes discrimination against individuals or groups protected by Canadian human rights laws.

71. *Automatic Decision-Making.* A Seller may elect to have the TradeRev System sell a Vehicle and/or mark it "Arrived" automatically. The Seller shall be responsible for all information entered that results in the execution of an automatic decision by the TradeRev System. In addition, Seller agrees to the following terms and conditions:

    a) In a Vehicle listing, a Seller may enter a floor price (the "**Floor Price**") at or beyond which the Vehicle will be sold automatically by the TradeRev System following a complete auction cycle. A Seller may modify or remove a Floor Price at any time. During the auction cycle, a Vehicle's Floor Price will be visible only to Seller. If a Floor Price is entered for a Vehicle that is marked "Lost" following a complete auction cycle, the Vehicle will enter a "Buy Now" cycle during which a Buyer may purchase the Vehicle immediately for such Floor Price.

    b) If a Vehicle is listed as "In-Stock", the TradeRev System will automatically mark the Vehicle as "Arrived" once it is "Won". Seller is required to make the Vehicle immediately available for pick-up at the location indicated on the Vehicle Detail Page as described in Section 21 of these Terms and Conditions.

72. *Conducting Business*. TradeRev: (i) may rely and act upon any purported signature whether oral, written, or electronic and other communication in connection with the TradeRev System or services purportedly sent by Customer and/or any Authorized User or person purporting to be an agent or employee of Customer, and (ii) has no obligation to scrutinize, inquire, or confirm any signature or communication with Customer, any Authorized User or other person purporting to be an agent or employee of Customer. TradeRev may conduct business with Customer through the (nonexclusive) use of electronic, computer, digital, or other paperless means, including the good faith reliance on electronic mail, facsimile transmittal, telephonic or other usual and regular forms of communication without confirmation or authentication of the communication by receipt of an original signature, document, paper or otherwise.

73. *Termination*. You have the right to cease doing business with us whenever you wish and we have the right to cease doing business with you whenever we wish. Sections 6, 7, 56, 57, 58 and 59 of these Terms and Conditions will continue after you cease doing business with us.

74. *Governing Law*. These Terms and Conditions will be governed by, interpreted under, construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario. The parties attorn to the exclusive jurisdiction of the courts of the Province of Ontario and all courts competent to hear appeals from them.

75. *Governing Language***.** The parties have agreed that the governing language for these Terms and Conditions shall be English, regardless of whether there is any current or future translation of this Agreement and regardless of whether multiple language versions of this Agreement have been executed. All documents and communications contemplated

thereby or relating thereto be drawn up in the English language. Les parties confirment avoir requis que cet accord, ainsi que tous les documents et communications qui y sont relatifs soient rédigés en anglais.

76. *Miscellaneous*. No waiver of the provisions hereof shall be effective unless in writing and signed by an authorized representative of TradeRev. If any term or section of these Terms and Conditions is held invalid or unenforceable, under any statute or court decision, or any governmental rule or regulation, the remainder of these Terms and Conditions shall remain effective. These Terms and Conditions shall bind the respective heirs, executors, administrators, successors and assigns of Customer and inure to the benefit of TradeRev and its successors, assigns and subrogees.

ACCEPTANCE

By accessing or using the TradeRev System, you agree to abide by these Terms and Conditions. PLEASE READ THESE TERMS AND CONDITIONS CAREFULLY BEFORE SIGNING OR CLICKING “I AGREE”. BY SIGNING OR CLICKING ON “I AGREE”, YOU ARE AGREEING TO THESE TERMS AND CONDITIONS AND REPRESENT THAT YOU HAVE AUTHORITY TO ACCEPT THESE TERMS AND CONDITIONS ON BEHALF OF THE BUSINESS ASSOCIATED WITH YOUR USER ID AND PASSWORD.



AUCTION POLICIES

Effective October 18, 2021

Welcome to ADESA! Our goal is to provide you with a quick, efficient and trustworthy used vehicle marketplace that delivers results. We have therefore developed these Policies to assist our Customers to understand their rights and obligations to each other and to the Auction. Through these Policies, we create an environment where Sellers can be confident they will be paid true market value for the Vehicles they sell and Buyers can be confident about the quality and condition of the Vehicles they buy.

Our Core Values

Integrity

Employee welfare

Customer care

Safety

Profitability

Community involvement

Teamwork

Fun

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GENERAL TERMS AND CONDITIONS

1. **Application.** These Auction Policies govern all of your business at the Auction (including ADESA.ca) and are implied terms and conditions of every agreement (oral or written) that you enter into with the Auction and with every Buyer and Seller. By doing business at the Auction, you are agreeing to observe and be bound by these Auction Policies.

2. **Notice of Changes.** We may amend the Auction Policies at any time by posting the amendments on our website www.adesa.ca.

3. **Definitions.** In addition to other terms defined elsewhere in the Auction Policies, the following terms have the following meanings:

ADESA Location means a physical auction location where an ADESA business unit conducts In-Lane Sales.

ADESA means ADESA Auctions Canada Corporation, ADESA Montreal Corporation, ADESA Quebec Corporation, OPENLANE Canada Inc. and each of their respective subsidiaries, successors and assigns.

ADESA Simulcast means the Auction's online sales platform for Vehicles that are offered concurrently in an In-Lane Sale.

Arbitration Dollar Threshold has the meaning given to that term in Section 72 *Major Repair*.

Auction means ADESA. References to "we" or "our" mean the Auction.

Auction Policies means these Auction Policies and Arbitration Rules and any amendments to them.

Arbitration means the dispute resolution process described in the Arbitration section of the Auction Policies.

Buyer means a Customer who purchases, offers to purchase and/or bids on Vehicles and/or Services through the Auction.

Condition Report means a description of the physical and/or mechanical condition of a Vehicle including any Vehicle photographs and/or Vehicle grade.

Customer means a registered motor vehicle dealer, individual, partnership, association, corporation, limited liability company, trust, unincorporated organization, government agency or other business entity or enterprise that is expressly or implicitly authorized to conduct business with the Auction. References to "you" mean the Customer.

Customer Representative means the Customer's authorized representative and any person that has the actual or apparent authority to act on behalf of the Customer.

DealerBlock® means the Auction's online sales platform for Vehicles that are not offered concurrently at an In-Lane Sale (may include a Seller's online private label selling platform hosted by ADESA).

Dealer Car means a motor vehicle that is offered for sale by a Customer who is a licensed motor vehicle dealer that operates one or more retail motor vehicle dealerships.

Disclosure means a mandatory disclosure about a Vehicle as set out in the *Seller Disclosure Obligations* section of the Auction Policies.

Fees mean the fees and charges established by the Auction from time to time for Services.

Gate Pass means an electronic or paper document that must be presented by the Buyer or Customer Representative to the Auction (or for sales of Off-Site Vehicles to the Seller's Customer Representative at the grounding location) in order to obtain the release of a purchased Vehicle. For Online Sales, a Gate Pass may also be referred to as a "Vehicle Release Form".

In-Lane Sale means a real-time live auction sale event that takes place at an ADESA Location with bidders present physically and/or online.

Major Deception means an act, representation or omission that, having regard to all of the circumstances would reasonably be regarded as misleading, unprofessional, or unethical and includes, but is not limited to, the failure to make a Disclosure which materially affects the value of the Vehicle.

Off-Site Vehicle means a Vehicle not physically located at an ADESA Location.

Online Buyer means a Buyer who uses Online Services.

Online Sale means a sale event conducted through any of the Online Services.

Online Services means the tools and services for the sale of Vehicles over the internet available through ADESA.ca including DealerBlock®, ADESA Simulcast and any Virtualane Sale.

Personal Information means information about an identifiable individual within the meaning of the *Personal Information Protection and Electronic Documents Act,* S.C. 2000 c.5.

Post-Sale Inspection means a post-sale inspection service offered by the Auction that involves a mechanical inspection and optional frame inspection in accordance with the terms and conditions of the Auction's Post-Sale Inspection program.

Reserve Price means the minimum price established by the Seller at which the Vehicle may be sold.

Seller means a Customer who offers a Vehicle for sale through the Auction's Services.

Services means the Vehicle remarketing services and products offered by or through the Auction including but not limited to sale by auction and other means, marketing, transportation, marshaling, glass repairs and replacements, reconditioning, mechanical repairs, inspections, Post-Sale Inspection services, market analytics, Arbitration, and the Online Services.

Vehicle means an automobile, truck, recreational vehicle, wagon, motorcycle, snowmobile or any other vehicle designed to run on land and also includes boats, marine craft, machinery and equipment.

Vehicle History Report means a report from an accepted industry source regarding the history and/or condition of a Vehicle that meets the Auction's VHR Standards described in Section 20 of these Auction Policies.

Vehicle Listing Category means the category under which a Vehicle is listed for sale on DealerBlock® as described in Section 71 of these Auction Policies.

Vehicle Release Form has the same meaning as "Gate Pass".

Virtualane Sale means an In-Lane Sale during which Vehicles do not physically cross the auction block.

4. **Governing Law.** This Agreement will be governed by, interpreted under, construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

5. **Extended Meanings.** The singular includes the plural and vice versa and any gender includes any other gender.

6. **Data Ownership.** All information and records, whether oral, written, visual, electronic, digital or tangible (collectively "**Data**") transmitted, received or stored on or using the Auction's systems, equipment, computers, servers, or premises is the property of the Auction. Accordingly, the Auction has the right to use, control access to, aggregate, modify, package, derive benefit from, remove, destroy or sell Data in whole or in part. Notwithstanding the foregoing, Data that contains Personal Information will only be used and disclosed in accordance with the Auction's Privacy Policy.

AUCTION OBLIGATIONS

7. **Our Commitment to Our Customers**

   a) We will be fair and impartial in our dealings with both Buyers and Sellers.

   b) We will create an environment that inspires confidence in the integrity of our marketplace.

   c) We will maintain records to verify sale prices and all Fees that are charged for a minimum period of 6 months.

   d) We will comply with national, provincial and local laws that regulate the conduct of our business.

   e) We will make every effort to service our Customers' needs diligently, courteously and responsibly.

   f) As a member of the National Auto Auction Association, we have adopted and will comply with the NAAA Code of Ethics.

8. **Our Role**

   a) We provide Services that create a fast and efficient marketplace for Buyers and Sellers to exchange used Vehicles. We do not take title to the Vehicles bought or sold through our Services and facilities. The Auction is not a party to the contract of sale between the Buyer and the Seller.

   b) Through these Auction Policies, we regulate our marketplace so that Sellers can be confident they will be paid for the Vehicles they sell and Buyers can be confident about the quality and condition of the Vehicles they buy. Auction sales are intended to promote fair and ethical treatment to both the Buyer and the Seller.

   c) We provide reliable and convenient value added Services to help your business succeed.

   d) The Auction is paid Fees, usually by both the Buyer and the Seller and sometimes by third parties, for its Services.

   e) The Auction offers an Arbitration service to quickly and fairly resolve disputes between Buyers and Sellers.

9. **Limitation.** The Auction makes no representation, warranty or guarantee as to the accuracy or completeness of the description, equipment, warranty, service policy, title, history, odometer reading or disclosure declarations pertaining to Vehicles offered for sale.

CUSTOMER OBLIGATIONS

10. **Fair Play**. For the auction marketplace to work properly, the Auction and its Customers must conduct themselves with integrity. We do our part by living our corporate values. We expect you to do your part by conducting your business at the Auction fairly and honestly.

11. **Auction Privileges**. We reserve the right to temporarily or permanently suspend a Customer's Auction privileges at any time. Breach of the Auction Policies could result in the permanent or temporary suspension of your Auction privileges.

12. **Customer Registration**. The Auction participates in the Auction Access dealer registration system. Upon completion of the Auction Access registration package, you will be issued a photographic identification card ("**Auction Card**") authorizing you to buy and sell Vehicles at all In-Lane Sales in Canada. You will be responsible for all transactions conducted with your Auction Card. Sharing or lending your Auction Card is strictly prohibited. At In-Lane Sales, Customers are required to wear their Auction Card at all times in the bidding area. For Online Sales, in addition to registering through Auction Access, you will need to register through the Auction's Online system in order to receive an online user id and password. You are responsible for maintaining the confidentiality of your user ID and password and will be liable for all transactions conducted with them. Please immediately notify the Auction in writing upon the discovery of any unauthorized use of your Auction Card or online account. Sharing user ids and passwords is strictly prohibited.

13. **Compliance with Law**. There are many rules, laws and regulations that govern your business. We count on you to know and comply with all national, provincial and local laws that regulate your right to buy and sell Vehicles at our Auction.

14. **Courtesy**. We expect our employees to serve you professionally and courteously and in turn we believe that they are entitled to similar treatment from you.

15. **Dealers Only**. Generally, only registered motor vehicle dealers are permitted to buy Vehicles at our Auctions. Except for sales expressly open to the public, retail customers are not permitted to attend In-Lane Sales or Online Sales. Retail customers are not permitted to "shoulder surf" Online Sales. Customers may not permit retail customers to view an Online Sale or the prices of the electronic inventory of Vehicles posted through the Auction's Online System.

16. **Guests**. Guests are not permitted in the bidding area.

17. **Assumption of Risk and Adherence to Safety**. Customer acknowledges there is a certain amount of risk inherent in auction activity including serious injury or death. Knowing, or having reason to know these facts, Customer appreciates the risk; and voluntarily accepts and assumes the risk. Customer acknowledges his/her responsibility to become familiar with Auction's posted and communicated safety measures and to strictly obey and adhere to such measures at all times while on Auction premises. Customer shall be alert, aware and act in a safe manner at all times. Customer is a limited licensee on all Auction premises, but the license does not extend to non-common areas of the premises, or where access is specifically limited to certain persons or personnel.

18. **Safety**. Two of the Auction's core values are CUSTOMER CARE and SAFETY. We endeavour to provide a safe and secure environment to conduct business with as little inconvenience as possible to you. Due to the inherent risk and nature of moving vehicles, there are some procedures, rules, and precautions that everyone visiting our Auction facilities should follow. These are for your protection as much as for the protection of our employees. Each Auction facility is different in layout and personality. Take the time to make yourself familiar with the facility you are visiting and doing business in. Customers and their employees, agents, contractors, representatives and invitees must observe and comply with the Auction's safety rules as set out below.

    a) Always be aware and cautious of your surroundings. There is always a lot of activity at an auction, especially on sale day.

    b) No one under 16 is allowed in the sale arena or on the lot.

    c) Everyone in the bidding area must wear his/her Auction Card. Everyone on the lot must wear either his/her Auction Card or Visitor Badge.

    d) If you are injured, please contact an Auction employee.

    e) Lines on the floor designate auction lanes. Please stand outside the lines. Congested lanes make it harder for our drivers to see and will slow the flow of Vehicles.

    f) Never open a door or hood without the driver seeing you and the Vehicle stopped. Some Auctions only allow the Ringman to open the hood.

    g) Always make sure you have eye contact with the driver if you walk in front of a Vehicle. Never walk in front of a moving Vehicle.

    h) Do not open the hood and grab the linkage to rev an engine. Do not ask our employees to rev an engine.

    i) Test-driving Vehicles is not permitted.

    j) During a sale, you should not get into a sale Vehicle to "hop a ride" to or from the sale arena. This will distract the driver.

    k) Do not lie under a Vehicle to look for damages or for any other reason.

l) If you want to start a Vehicle, please seek the assistance of one our lot attendants. Make sure you are seated in the driver's seat with the brake pedal applied.

m) If driving on the lot, please obey posted speed limits, stop and signal at intersections.

n) If a Vehicle has a snowplow or attachment that moves, do not reach into the cab and test the controls.

o) Let an Auction employee know if you see any unsafe practices on the lot, whether another Customer or an employee.

We hope that by following these simple rules everyone will be safe and able to return another day.

19. **Vehicle History Reports.** Each Vehicle shall be accompanied by a Vehicle History Report. The Auction is not responsible for the accuracy of Vehicle History Reports.

20. **VHR Standards.**

a) Vehicle History Reports must meet the following minimum standards:

i. Insured claims history of Accident Repair from each province where Vehicle has been registered including claim amount;

ii. Ownership and registration history including title branding and odometer history (all provinces and U.S.);

iii. Vehicle import records (if applicable);

iv. Canadian Police Information Centre (CPIC) data;

v. Disclosure data from the Vehicle History Report must be made available to bidders prior to sale;

vi. Vehicle History Report must be available in both English and French for vehicles offered for sale to Quebec bidders; and

vii. Vehicle History Report must be provided to Buyer after sale (hard copy or downloadable print format).

b) *Vehicle History Report Charges (excluding BC*). If the vehicle sells, the cost of the Vehicle History Report will be charged to the Buyer. The Auction will not charge the Seller (Dealer Cars and local fleet only) for reports on no sales.

c) *Vehicle History Report Charges (BC only).* For vehicles registered or located in British Columbia at the time of sale, the cost of the Vehicle History Report will be shared by the Buyer and the Seller. The Seller (Dealer Cars and local fleet) will be charged $20[1] for the Vehicle History Report and Buyer will be charged the balance. The Auction will not charge the Seller (Dealer Cars and local fleet only) for Buyer's share of report costs on no sales.

d) *Off-Site Vehicles*. For Off-Site Vehicles, when listing a Vehicle for sale Seller (Dealer, local fleet and public) will be required to post a Vehicle History Report that satisfies the VHR Standard or complete the Auction's disclosure questionnaire prior to listing.

21. **No "Backyard Deals".** All Vehicles consigned for sale at an In-Lane Sale must cross the auction block. Vehicles sold before reaching the block will be subject to all applicable fees. Customers who attempt to avoid payment of Auction fees by negotiating private sales on Vehicles offered or intended to be offered for sale through the Auction (In-Lane or Online) may have their Auction privileges temporarily or permanently suspended.

22. **Tampering.** Odometer or parts tampering is strictly prohibited.

23. **Fees and Payment**. In consideration of the performance of the Auction's Services, you agree to pay the Auction all applicable Fees. Fees are due and payable on the date the Services are provided. You agree that the Auction may deduct the Fees and any other amounts owing by you to the Auction from any amounts that may be payable by the Auction to you, including Vehicle sale proceeds. Interest on overdue payments will accrue at the lesser of the maximum legal rate or 1.5% per month (18% per year). You acknowledge and agree that the Auction may change its Fees at any time without notice. Please contact your Auction Customer Service Representative if you require up to date Fee information. The Customer shall pay all costs, including, without limitation, legal fees on a substantial indemnity basis, reasonably incurred by Auction to collect any amounts owed to Auction by Customer.

24. **Set Off.** In addition to whatever rights of set off the Auction may have in any jurisdiction where Vehicles are sold, if Customer or any party affiliated with Customer ("**Customer Affiliate**") fails to pay Fees or other amounts owing when due, the Auction will be entitled to immediately set off the amount owed by Customer and/or Customer Affiliate from any funds owing by the Auction to Customer and/or Customer Affiliate.

25. **Security Interest/Hypothec.** Customer hereby grants to the Auction a continuing security interest and hypothec in all Vehicles purchased by Customer through the Auction and in all Customer Vehicles that are in the possession, custody or control of the Auction, wherever located, and all proceeds from the sale thereof to secure payment of all Fees, debts, liabilities and obligations of Customer to the Auction. If Customer

[1] Prices are subject to change without notice. Contact your local Auction customer service representative for current pricing.

fails to pay the Auction any amount when due, the Auction will be entitled to exercise the rights and remedies of a secured creditor as such rights and remedies may be provided by statute, common law, equity or otherwise.

26. **Risk**. The Auction assumes no liability for loss or damage while Vehicles are in the possession of Auction. The Auction does not provide insurance coverage for Vehicles. The Vehicle will be and remain at the Seller's risk until sold. Once the Buyer's bid has been accepted as the winning bid, the Vehicle will be at the Buyer's risk. The Vehicle will remain at the Buyer's risk unless and until the sale is cancelled through Arbitration. If the sale is cancelled, the Vehicle will revert to the Seller's risk until the Vehicle is resold. For Off-Site Vehicles, Vehicle remains at the Seller's risk until released to the Buyer or until the deadline for picking up the Vehicle, whichever is earlier.

27. **Limitation of Liability.** Customer agrees that in no event will Auction be liable to Customer for indirect damages, consequential damages, loss of goodwill, work stoppage, data loss, computer failure or malfunction or lost profits (collectively "**Damages**"). Without limiting the foregoing, Customer further agrees that the Auction will not be liable to Customer for losses or Damages due in whole or in part as a direct or indirect result of any theft, conversion, personal injury, death, loss, damage, claim, expense (including legal fees), suit or demand (collectively "**Loss**") arising out of, based upon or resulting from the possession, transportation, use, storage or operation of any Vehicle by the Auction, including but not limited to Loss due to or caused by or during transportation, delay, Arbitration decision, cancelled sale, clerical errors, or fire, storm, flood, war, civil disturbance, riot, act of God, lightning, earthquake, personal injury, death or other similar casualty (the Auction's wilful misconduct or gross negligence excepted). The Auction's liability, if any, shall be limited to the sale price of the Vehicle, less 10% per month from the sale date. All liability of the Auction, if any, shall terminate 90 days after the sale date.

28. **Indemnity**. Customer agrees to indemnify, defend and hold harmless the Auction from and against any and all liabilities, damages, losses (including, without limitation, Transportation Losses), expenses, demands, claims, suits or judgments, including reasonable legal fees and expenses, in any way related to or arising out of the breach by Customer or by any Customer Representative of the Auction Policies.

29. **No Warranties by Auction**. The Auction shall not be liable to either the Buyer or the Seller for any visible or latent defects in the Vehicle. The Auction does not make or guarantee any warranty, express or implied, including, without limitation, make, condition, quality, merchantability, fitness for a particular purpose, service policy, or odometer reading, with respect to any Vehicle.

30. **Investigations**. The Auction cooperates fully with all investigations conducted by regulatory, government and police authorities (collectively "**Investigative** Authority"). By doing business at the Auction, you authorize us to comply with all reasonable requests from any Investigative Authority for information and/or documents concerning you, your business, and/or transaction history. Any Vehicle in the custody or control of the Auction may be subject to inspection by Investigative Authorities without prior notice to you.

31. **Video/Audio**. Most In-Lane Sales are video and audio recorded. By attending an In-Lane Sale, you are consenting to the use of video and audio recordings for the purposes of Arbitrations, enforcement of the Auction Policies, and all purposes identified in the Auction's Privacy Policy. Customers physically present at an In-Lane Sale may be identifiable in the audio or video recording. By participating in an In-Lane Sale, you consent to the Auction's use, retention and disclosure of any audio, photograph, or video recording containing your image or voice

32. **Sales Tax**. The Customer certifies that the Customer holds a certificate license or other permit, issued by the sales tax authority of the province and, if necessary, the locality of the Customer's business or businesses which certificate, license or permit exempts the Customer from the payment of provincial sales tax with respect to the purchase of Vehicles and bears the number or numbers set forth in the Customer registration application. Any Vehicles purchased by the Customer at the Auction are purchased for resale in the form of tangible personal property in the regular course of business, and are of the sort usually purchased by the Customer for resale. In the event that the property is used for any purpose other than for resale, the Customer will pay directly to the proper taxing authorities such sale or use tax as may then accrue and be due and payable.

33. **GST/HST/QST** . Sellers who are GST, HST or QST registrants may execute GST/HST election forms pursuant to subsection 177(1.3) of the Excise Tax Act or QST election forms pursuant to subsections 41.0.1, 41.2 and 41.2.1 of The Act Respecting the Quebec Sales Tax. GST, HST, or QST will be charged on *all* Vehicle purchases (including Vehicles purchased for export). GST/HST/QST is charged at the rate applicable in the province where the Vehicle is located at the time of sale. If a Customer believes that a transaction is exempt from tax (e.g. zero rated supply of goods, exports, s.87 of Indian Act, etc.), the Customer may apply for a refund from the applicable government authority of the taxes paid. *No exceptions will be made*.

34. **Auction Authorization**. Customer hereby appoints Auction to be its agent and to act on Customer's behalf and in Customer's name for the purposes of completing and executing Vehicle transfer of ownership documents and sales agreements and to do all things and execute all documents and receipts as Customer's agent relating or incidental to them. Auction may, in its discretion use an electronic signature in accordance with Ontario's Electronic Commerce Act, 2000, S.O. 2000, and similar provincial and federal laws. Customer authorizes Auction to capture and apply Customer's digital or electronic signature to Auction sale and ownership transfer documents.

BUYER OBLIGATIONS

35. **Payment Terms**. Buyers must pay for all Vehicles purchased plus all applicable Fees by the end of business on the date of sale. If payment is made by cheque, the cheque must be in the legal or registered business name of the buying dealership (no personal cheques). Without

limiting any other remedy available to it, the Auction may retain possession of Vehicles purchased by Customer and/or withhold ownership documents until all amounts owed by the Customer to the Auction have been paid. Online Buyers have 48 hours to pay from the date of sale.

36. **Know your Purchase**. This is a used Vehicle auction. Most used Vehicles have defects, flaws and/or wear and tear. Please allow for this in your bidding. Buyers should inspect Vehicles and should carefully review all Vehicle information made available to them before bidding including Run Lists, Auctioneer announcements, Vehicle History Reports, online Photos, online Condition Reports, online Remarks, Comments, and Announcements etc. as applicable. Online Buyers are expected to carefully review all photographs. Vehicle damage apparent in a photograph is not subject to arbitration. It is the Buyer's responsibility to verify the condition and history of the Vehicle within the applicable Arbitration period.

37. **Post-Sale Inspection**. For Online Buyers of Dealer Cars, local fleet Vehicles and Vehicles consigned by members of the public, a Post-Sale Inspection is mandatory on Vehicles at an ADESA Location that are sold under a Green Light and sell for $3,000 or more. A Post-Sale Inspection is recommended for Vehicles sold under a Red Light but is not mandatory. A Post-Sale Inspection on Red Light Vehicles is for informational purposes only. Fees apply (See ADESA Canada Post-Sale Inspection Policy for applicable terms and conditions).

38. **Information Inconsistencies.** Information regarding the description, condition or history of a Vehicle may come from multiple sources (e.g. condition report, pictures, Vehicle History Reports, text announcements, etc.) which occasionally can result in duplicate and/or inconsistent information and Disclosures. If the information provided is inconsistent or unclear, please contact your Auction Customer Service Representative for clarification prior to bidding**.**

39. **Bidding Process**. Please ensure that you understand the bidding process. Our auction sales are very fast-paced and energetic. If you do not understand the bidding process, please ask one of our Customer Service Representatives to assist you. For Online Sales, please also review the Online Training modules offered through the Auction Online System.

40. **Lights**. The Buyer is responsible for observing and understanding the sale lights. See Sections 70 and 71

41. **Auctioneer Announcements**. Listen carefully to the Auctioneer before the bidding begins. The Auctioneer may have important information to tell bidders (including Online bidders) about the Vehicle that is up for sale. Auctioneers will usually announce all Disclosures. Auctioneer announcements may update or correct information previously provided and, in the event of inconsistency, will take precedence. The Auctioneer is not required to repeat information about a Vehicle during the sale. If a Vehicle History Report is available online at the time of sale, Auctioneers may (but is not required to) announce all accident repair Disclosures regardless of the cost of the repairs. This information is provided as a courtesy to In-Lane Buyers so that they will have similar information provided to Online Buyers at the time of bidding. However, the dollar limits set out in Section 72 for Accident Repair disclosures continue to apply. The Buyer is responsible for listening to the Auctioneer announcements. If in doubt, ask an Auction Customer Service Representative for assistance.

42. **Arbitration and Vehicle History Reports**. Where a Vehicle History Report is made available to bidders before or at the time of sale, it is the Buyer's responsibility to read it. Information disclosed in a Vehicle History Report made available before the bidding begins will not be subject to Arbitration. If a Vehicle History Report is made available after the sale, the arbitration period for matters disclosed in the Vehicle History Report is limited to one day after the Vehicle History Report is made available, not to exceed the applicable Extended Arbitration period. Vehicle History Reports may occasionally contain inaccurate information. Arbitration may not be available for conditions disclosed in a Vehicle History Report if contradicted by other more reliable sources.

43. **Tote Board**. At most In-Lane sales there are electronic tote boards behind the Auctioneer's podium that displays the bid price of the Vehicle that is on the block. As there may be a delay between when the Auctioneer accepts a bid and when it is recorded on the tote board, you must listen to the Auctioneer carefully for the most current bid price. If there is a discrepancy between the tote board and the Auctioneer, the Auctioneer takes precedence.

44. **Ringmen/Bid-catchers**. Most of our In-Lane Sales have Ringmen (also known as Bid-catchers) who stand in the auction lane and assist the Auctioneer in identifying bids. If you want to place a bid, catch the attention of a Ringman or the Auctioneer.

45. **Payment**. Payment is required before the close of business on sale day. The method of payment is at the discretion of the Auction's General Manager. If payment in full is not received within 48 hours of the Auction sale day, the Vehicle may be re-sold at the next Auction sale on an unreserved basis. The Buyer will be liable to the Auction for all Losses incurred including the difference in sale price (if any) plus Fees and collection costs including legal fees. Failure to pay promptly can result in the permanent loss of your Auction privileges.

46. **Insufficient Funds**. If your method of payment is not cleared by your bank (e.g. NSF cheques), you must pay the amount owing immediately with cash or certified funds. An administrative fee will apply to all uncleared payments due to insufficient funds.

47. **Title**. Regardless of the method of payment and the status of the ownership registration, title to a purchased Vehicle does not pass to the Buyer until payment in full has been made and the funds have actually been received by the Auction. Seller reserves ownership of the Vehicle, and title to and ownership of the Vehicle will not transfer to Buyer until the sale price for the Vehicle has been paid in full to Auction for benefit of Seller. For example, if payment is made by uncertified cheque, title does not pass to the Buyer until the cheque has been honoured by the drawer's bank. Notwithstanding the foregoing, the Buyer assumes full liability and responsibility for all Vehicle Losses once it has been determined in accordance with the Auction Policies that the Buyer's bid is the winning bid and all risks related to the Vehicle shall be transferred to Buyer. If the purchase of the Vehicle is financed by any lender (a "**Lender**") and the purchase price for the Vehicle is paid to

Seller (via the Auction) by such Lender on behalf of Buyer (or by Buyer out of the proceeds of such financing), (i) Seller hereby assigns all of its rights under this contract, including its reservation of ownership, to Lender, and Buyer consents to such assignment, (ii) Buyer consents to the publication of a reservation of ownership by Seller and of the assignment thereof to Lender, by Seller, Lender or their representatives, (iii) Seller shall remain responsible as seller hereunder notwithstanding such assignment and shall indemnify and hold Lender harmless of any liability hereunder, and (iv) all terms and conditions of the loan and security agreement entered into or to be entered into from time to time by Buyer and Lender shall be applicable hereto and the purchase price of the Vehicle shall be payable in accordance with the provisions applicable to an advance made thereunder. If the purchase of the Vehicle is not financed by any lender, the Seller hereby assigns all of its rights with respect to the Vehicle to the Auction. The Seller agrees that the Auction can deduct any amounts owing by the Seller to Auction from any amounts owing to Seller hereafter. Buyer and Seller waive all rights of set-off against the Auction and each other in connection with any Vehicle sold through the Auction.

48. **Vehicle Pick-up Deadlines.** Once you have purchased and paid for your Vehicle, please remove it from the sale location as soon as possible. For In-Lane Buyers, the Vehicle pick-up deadline is 48 hours after the date of sale or from the completion of the Post-Sale Inspection, if applicable. For Online Buyers, the Vehicle pick-up deadline is four (4) business days after the date of sale. For Online Buyers that have ordered a Post-Sale Inspection for a Vehicle located at an ADESA Location, the Vehicle pick-up deadline is four (4) business days from the completion of the Post-Sale Inspection. At Auction's discretion, storage fees may be charged for failing to pick-up a Vehicle by the deadline. In addition, for Online Buyers, arbitration time limits may be shortened for failing to pick-up a Vehicle by the deadline.

49. **Transportation**. If you require assistance in arranging transportation, please notify an Auction Customer Service Representative. Please note the limitation of liability section of the Auction Policies regarding transportation Losses.

50. **Post Sale Inspection**. For In-Lane Sales, Buyer should conduct a thorough inspection before removing purchased Vehicles from the Auction site. Buyer must immediately inform Auction of any missing items (e.g. keys, books, mats) once the Vehicle has crossed the auction block. Regular Arbitration is not available, or for Online Sales, is limited, once a Vehicle has left the Auction site. All Buyers are strongly encouraged to arrange for a Post-Sale Inspection of all Vehicle purchases. A Post-Sale Inspection is mandatory for many Online Vehicles (See Section 37). Ask a Customer Service Representative for information on the Auction's Post-Sale Inspection. Online Buyers must ensure that transporter informs Auction of any damage or missing items before removing the Vehicle from the Auction site or, for Off-Site Sales, the pick-up location.

51. **Exports**. If you are planning to export a Vehicle, you are responsible for ensuring that the Vehicle satisfies all Canadian export requirements and all import requirements of the destination country. The Auction does not supply documentation for import or export purposes. Arbitration is not available for Vehicles that leave Canada.

52. **Rebuilt Vehicles**. Please note that when registering an out of province Vehicle branded *Rebuilt*, the brand will be automatically changed to *Salvage* when the Vehicle title is registered in another province. For example, a Vehicle registered in BC with a *Rebuilt* title brand will automatically be given a *Salvage* title brand when the Vehicle is registered in Ontario. The Vehicle will need to undergo and satisfy the inspection requirements of the new province for Rebuilt vehicles before the title can be changed to Rebuilt in that province.

SALE PROCESS

53. **Bidding Process at In-Lane Sales**

a) *Tendering a Bid*. You will be deemed to have tendered a bid when you indicate, by speech, expression, hand signal or otherwise, the intention to enter a bid equal to or greater than the price being called by the Auctioneer.

b) *Accepting a Bid*. The Auctioneer may not accept a bid that, in the opinion of the Auctioneer, is only a nominal or fractional advance on the highest bid previously accepted by the Auctioneer or if the Auctioneer believes that the bid was not tendered in good faith.

c) *Tied Bids*. Where bids are tied, the Auctioneer may break the tie in any manner that the Auctioneer considers appropriate in the circumstances. The decision of the Auctioneer is final.

d) *Sale*. Except for If Bids, a Vehicle is sold when the Auctioneer announces that it has been sold. The Buyer who tendered the highest bid accepted by the Auctioneer immediately before the sold announcement is the successful bidder and is required to complete the sale.

e) *If Bids*. When the bids do not reach the Seller's Reserve Price, the Auctioneer may conditionally sell the Vehicle subject to an If Bid (also called phone bid or confirmation sale). When a Buyer makes an If Bid, the Seller has until 5 PM (local time based on Vehicle location) to accept the bid. The bidder may not withdraw the If Bid during the If Bid time frame.

54. **Bidding Process for DealerBlock®**

a) *Buy Now*™. If Seller offers a Vehicle for sale at a fixed Buy Now™ price, Buyer has the right to purchase the Vehicle at the stated price without competitive bidding. Seller's Buy Now™ price is a binding offer to sell the Vehicle at the stated price. Buyer accepts Seller's offer to purchase the Vehicle at the Buy Now™ price by clicking on the appropriate on-screen button. By clicking on the Buy Now button, Buyer is required to complete the sale at the Buy Now™ price. Seller may withdraw or modify the Buy Now price at any time before it

is accepted by a Buyer. Once Seller has withdrawn or modified a Buy Now™ price, it is not required to accept offers at the previous Buy Now™ price.

b) *Place Bid Format*. Seller may offer a Vehicle for sale with a Reserve Price or minimum opening bid amount (the "**Minimum Bid**"). The Reserve Price may be disclosed or undisclosed, at Seller's option. The winning bid will be the highest bid received at the end of the auction for that Vehicle that meets or exceeds the Reserve Price. Seller may lower or remove a Reserve Price or Minimum Bid amount at any time before an auction cycle begins. A Reserve Price or Minimum Bid amount cannot be increased once bidding on the Vehicle has started. Errors in Reserve Price or Minimum Bid amount may be corrected by withdrawing the Vehicle from sale and relisting it in the next auction cycle.

c) *If Bid Process*. From the opening of a given Sale until 5 PM (local time based on Vehicle location) following the Sale (the "**Resolve Time**"), a Seller may either:

i. Lower the hidden Reserve for the Vehicle. If the hidden Reserve price is lowered to a price that is equal to or less than the amount set by any Dealer as its Maximum Bid Amount (defined below) for that Vehicle, then the Seller will sell and such bidding Dealer will buy the Vehicle at such lowered Reserve price and such bidding dealer is the highest bidder at the end of the auction, if the auction has closed. If the auction has not closed, the competitive bidding will continue and the Vehicle will be sold to the highest bidding dealer at the end of the auction.

ii. Submit, or direct Auction in writing (including by e-mail) to communicate on Seller's behalf a counteroffer (the "**Seller's Counteroffer Price**") to the bidder with the highest bid showing for the Vehicle. Buyer may accept the Seller's Counteroffer Price (through the Auction's auction system or e-mail). Buyer and Seller agree that they will be bound by all acceptances communicated to the Auction during the Resolve Time. All unaccepted offers are deemed rescinded at the close of the Resolve Time. Buyer and Seller assume all risk of loss for any transaction not completed because of any failure in communication of offers and acceptance within the Resolve Time, regardless of cause.

d) *Proxy Bidding.* The proxy bidding process allows a Customer (i.e. the proxy bidder) to enter a maximum price that it is willing to pay for a Vehicle (the "**Maximum Bid Amount**"). If a Customer's Maximum Bid Amount is greater than the current bid, the Maximum Bid Amount will not be visible to the Seller or other bidders. DealerBlock® will automatically increase the Customer's proxy bid up to its Maximum Bid Amount by the dollar increment that applies to the particular Vehicle or group of Vehicles. DealerBlock® will never increase the Customer's bid above the Maximum Bid Amount. If at the end of the auction sale the Maximum Bid Amount meets or exceeds the Reserve Price:

i. If there are no other competitive bids above the Reserve Price, the Vehicle will be sold at the Reserve Price to the Customer that placed the Maximum Bid Amount;

ii. If more than one bidder submitted the same Maximum Bid Amount for the Vehicle, the Vehicle will be sold to the Customer that entered the Maximum Bid Amount first.

A Seller may pre-configure the auction cycle of a Vehicle prior to release of the Vehicle to have the auction cycle automatically extend beyond the original close time in order to prevent bidding Dealers from "sniping" (i.e., placing a bid immediately before the auction close in order to prevent a competing bid from being placed). In the event of a clerical error in the Reserve Price, Seller may withdraw the Vehicle from the sale and relist it in a new sale.

e) *Preview Sale Proxy Bidding*. Some DealerBlock sales may offer certain Customers (as determined by the Seller) the opportunity to view DealerBlock inventory and place proxy bids before the DealerBlock sale starts (a "**Preview Sale**"). Preview Sales are typically shorter in duration than standard DealerBlock sales. Proxy bids made during the preview period will not be processed until the DealerBlock sale starts. Once the sale starts, the regular proxy bidding rules as set out in Section 54.d) will apply. As with regular proxy bidding, a bidder's Maximum Bid Amount will not be visible to the Seller or to other bidders during the preview period or during the live DealerBlock sale. During the preview period and live sale, the Seller will only have visibility into the number of unique bidders placing proxy bids. With Preview Sales, after the live sale has ended, the Seller will be able to view all proxy bid details including, the proxy bidder username, Maximum Bid Amount, proxy bid amounts placed, and date/timestamp.

f) *Best Offer Format*. If Seller lists a Vehicle as "Best Offer", Seller is inviting bidders to submit an offer that Seller may accept or respond to with a counteroffer. If a bid on a Best Offer listing is accepted by the Seller, the bidder and the Seller are required to complete the sale transaction at the offered price. If Seller submits a counteroffer that is accepted by the bidder, the bidder and the Seller are required to complete the sale transaction at the counteroffered price.

55. **ADESA Simulcast Sales**

a) *ADESA Simulcast Bidding Process*. You will be deemed to have tendered an ADESA Simulcast bid by selecting or entering the dollar amount of your bid in the appropriate box and selecting the appropriate ADESA Simulcast icon confirming your bid. Once an ADESA Simulcast bid is made, including a "Hard Bid" that exceeds normal bid increments, it cannot be withdrawn. The bid must be received by the Auction's server and must equal or exceed the price being called by the Auctioneer to be eligible for acceptance. Except for the method of tendering the bid, the bidding process applicable to In-Lane Sales applies to ADESA Simulcast Bidders.

b) ADESA Simulcast AutoBids

i. *ADESA Simulcast AutoBid Bidding Process.* You will be deemed to have tendered an AutoBid by selecting or entering the dollar amount of the AutoBid in the appropriate box and selecting the appropriate icon confirming the price you are willing to pay for a Vehicle. An AutoBid is binding once submitted. You cannot modify or remove an AutoBid within two hours of the ADESA Simulcast sale start time. Once the ADESA Simulcast sale starts and the Vehicle is open for bidding, AutoBid will competitively bid in your name until there are no competitors bidding against you or until the dollar value submitted as the AutoBid is reached. If your AutoBid is surpassed, the system will stop bidding on your behalf.

ii. *Automatic Removal of AutoBid*. If certain Vehicle information changes after you have submitted your AutoBid, the system will automatically remove the AutoBid and you will be notified via email. Please refer to our website for further information regarding the types of changes that will automatically cancel an AutoBid.

iii. *Tied Auto Bids*. If two or more online Buyers enter equal AutoBids, the bid that was received by the Auction's server first will have priority. If an AutoBid is tied with a bid tendered by a bidder who is physically present at an In-Lane Sale, the Auctioneer may break the tie in any manner that the Auctioneer considers appropriate in the circumstances. The decision of the Auctioneer is final.

56. **Gate Passes**. You or your Customer Representative must present a Gate Pass before a purchased Vehicle can be released. If you have purchased an Online or Off-Site Vehicle, you will be issued an electronic Gate Pass when: (i) the Auction has received payment, and (ii) the Vehicle is available for pick-up. As some Online and Off-Site Vehicles are in transit at the time of sale, it may take several days before the Vehicle will be available for pick-up and a Gate Pass can be issued.

57. **Reserve Prices**. Many Vehicles are sold subject to a Reserve Price. If none of the bids received equal or exceed the Reserve Price, the Vehicle will not be sold unless the Seller expressly authorizes the sale.

58. **Voiding a Sale**. the Auction may, in its sole discretion, void any sale or withdraw a Vehicle from a sale if: (i) there was an error or omission in the description, Disclosures, price or any other relevant matter relating to the Vehicle; or (ii) in the circumstances, it would be fair and reasonable to do so.

59. **Disputes**. No bid may be withdrawn after it has been accepted. For In-Lane sales, if you dispute having made a bid, you must advise the Auctioneer immediately or you will be deemed to have made the bid. Where there is a dispute as to whether an In-Lane bid was made or which bid was last (which may include an ADESA Simulcast bid), the Auctioneer may allow the Vehicle to be put up and resold or may direct that the Vehicle be sold to the person whom the Auctioneer believes is so entitled. The decision of the Auctioneer is final. Online bids may not be retracted and are final and binding.

60. **Auction Arranged Transportation for Off-Site Vehicles (DealerBlock®)**. For Vehicles sold through DealerBlock®, a Buyer may request that Auction arrange transportation on Buyer's behalf. The Auction provides this service for a Fee and as a convenience for Buyers; however, the Auction does not warrant or otherwise endorse the services provided by third party transportation companies. By selecting "CarsArrive Transport" for a Vehicle on the ADESA.ca website or through a telephone instruction to an Auction employee, Buyer agrees to the terms in this Section in addition to any other terms set forth on the "CarsArrive" website and the Transportation sections of the ADESA.ca website:

a) *Authorization to Arrange Transportation*. By selecting "CarsArrive Transport" for a specific Vehicle, Buyer authorizes and directs Auction to arrange the transportation of such Vehicle on Buyer's behalf with a third-party carrier.

b) *Payment of Fees Prior to Arrangement of Transportation*. Buyer will pay Auction the transportation Fee as shown on the applicable webpage on or before the payment due date. Transportation will not be arranged until Buyer has paid all Fees including all transportation charges.

c) *Standard Transport – Delivery Times are Estimates Only*. The "Standard Transport" section of the applicable webpage on ADESA.ca or CarsArrive System shows the estimated days until delivery. This estimate is based on a mileage algorithm and the start date is the date payment is received by Auction. Note that this delivery date is an estimate only, and Auction does not guarantee that the Vehicle will be delivered within that timeframe and is not liable for any costs associated with the late delivery of any Vehicle. In the event of a delay in delivery, Auction will not assume or be responsible for any claims, including but not limited to: (i) decreases in the value of a Vehicle arising between the time of purchase and delivery for depreciation or other reasons, (ii) storage costs, (iii) lost sales, (iv) financing or floor planning costs, and (v) any other fees or costs incurred by the Buyer and/or passed-on by the Seller or transportation company to the Buyer. (In certain geographic areas, Auction offers an "Expedited Transport" service option, under which the Buyer may be refunded the transportation fee if the Vehicle isn't delivered within a specified period of time.)

d) *Risk of Loss*. Risk of loss for a Vehicle remains with the Seller until the transportation company picks up the Vehicle from the grounding location, at which point the risk of loss for the Vehicle is transferred to the Buyer. If the Vehicle is damaged in transit, the Auction will, as a convenience to Buyer, use commercially reasonable efforts to assist Buyer in making a claim against transportation company or its insurer, but the Auction is not liable for any damage that occurs to the Vehicle in transit or any other liability or claim that may arise and relates in any way to the transport of the Vehicle. The Auction is not responsible for prosecuting a claim against the carrier or its insurer on Buyer's behalf.

e) *Transportation Damage Claim Initiation*. A Buyer may initiate a claim for transportation damage on a Vehicle transported through Auction arranged transportation by notifying the Auction via the online Auction Customer Service Portal on or before the Transportation Claim Deadline and the Auction will use its commercially reasonable efforts to assist in facilitating such claim. The "**Transportation Claim Deadline**" is two calendar days after the date the Vehicle is delivered; however, if the second calendar day falls on a day that is not a business day, then the Transportation Claim Deadline is the next business day. (For example, if the Vehicle is delivered to Buyer on Thursday, then the Buyer may initiate a Transportation Damage Claim on the following Monday.)

f) *Indemnification*. Buyer agrees to indemnify and hold harmless the Auction, its subsidiaries and other affiliates, and each of their officers, employees, and agents from any and all claims, expenses, losses and costs associated with any personal injury, property damage or delay, that may occur and that relates in any way to the transportation of Vehicles.

SELLER OBLIGATIONS

61. **Fuel**. All Vehicles offered for sale must have sufficient fuel to run the Vehicle through the auction process. A refuelling fee will be charged if a Vehicle does not have sufficient fuel.

62. **Re-runs**. All unsold Vehicles that remain at an ADESA Location until the next sale day will be automatically washed and run on the next sale day. The Seller will be responsible for all applicable charges.

63. **Title/Ownership**. When you sell a Vehicle, you are guaranteeing, representing and warranting to the Auction and to the Buyer that you are authorized to sell the Vehicle, have good title to the Vehicle and that the Vehicle is free of all liens, charges, hypothecs, and encumbrances of any nature or kind whatsoever. For In-Lane and ADESA Simulcast sales, all documents required to permit ownership to the Vehicle to be transferred to the Buyer must be delivered to the Auction on the day prior to sale. If the ownership documents are not available on sale day, at the option of the Auction's General Manager, the Vehicle may be excluded from the sale or the Vehicle may be offered for sale under a White Light. After 48 hours, the Buyer may have the option to cancel the sale at the discretion of the General Manager, if the Auction has not received the title documents. For Off-Site sales see section 69.

64. **V.I.N.** Sellers may not offer a Vehicle for sale unless the original VIN plate is intact or has been replaced in accordance with provincial and federal regulatory requirements.

65. **Disclosure.** The Seller is responsible to ensure that all Disclosures and any other material information are announced by the Auctioneer and appear in the Online Vehicle description and/or Online Condition Report. The Seller is also responsible to ensure that any information recorded on the Vehicle windshield is accurate and that the Vehicle runs under the correct light. Condition Reports prepared by the Auction are intended to provide our customers with a brief summary of the general features and condition of a Vehicle offered for sale. Although the Auction tries to ensure that all Condition Reports are accurate, it is the Seller's responsibility to correct any errors and to ensure that all Vehicles listed for sale are accurately described and that all required disclosures have been made.

66. **Reserve Prices**. For In-Lane and ADESA Simulcast sales, unless a Seller communicates a Reserve Price to the Auction in writing (including by email or electronic input through ADESA Simulcast) prior to the sale date, the Seller is expected to attend at the sale to represent its Vehicle. For Vehicles sold through DealerBlock®, if the Seller does not enter a Reserve Price when listing the Vehicle for sale, the Vehicle will be offered for sale on an unreserved basis.

67. **Price Boosting**. Price boosting (i.e. "shilling") is strictly prohibited. Neither you nor any of your representatives, or agents may directly or indirectly bid on any Vehicles offered for sale by you through the Auction for the purposes of attempting to increase the sale price.

68. **Authority for Services (In-Lane)**. The Seller authorizes the Auction to provide Services reasonably required enabling a Vehicle to cross the auction block on sale day (e.g. towing, refuelling, battery boost, etc.). The Seller will be responsible for all Fees for such Services. Regardless, the Auction is not required to provide these Services and will not be liable if it fails to do so.

69. **Off-Site Vehicle Sales**

a) Pre-approved Customers may offer Off-Site Vehicles for sale on DealerBlock®.

b) The Off-Site Vehicle must at all times be under the lawful possession, custody and control of the Seller.

c) When an Off-Site Vehicle is sold, Seller is required to retain the Off-Site Vehicle in its custody and control until the Auction has confirmed it has received payment from the Buyer and the funds have cleared the Buyer's bank.

d) Before releasing an Off-Site Vehicle to Buyer, Buyer must present an electronic gate pass issued by the Auction and Seller must verify the authenticity of Buyer's electronic Gate Pass by comparing it to the electronic gate pass provided directly to Seller by the Auction. The Seller will be liable to the Auction for all Losses due to the unauthorized or premature release of an Off-Site Vehicle.

e) Seller must notify the Auction if there has been any material change in the condition of the Vehicle during the posting period. It may take one (1) business day for the change to be made to the Vehicle posting information.

f) The Seller must carefully review its Vehicle posting information. It is the Seller's responsibility to correct any errors or omissions.

g) The Auction reserves the right to remove a Vehicle posted to DealerBlock® and/or ADESA Simulcast at any time.

h) To avoid the risk of a double sale, the Seller must advise the Auction before selling the Off-Site Vehicle to a retail (or any other) customer. In the event of a double sale, the Seller will be liable to the Auction for all Losses, including but not limited to the Off-Site Vehicle sale proceeds (if the Auction has already paid them) and all Fees including but not limited to the Sale Fee and Buy Fee. In addition, a double sale fee in an amount at Auction's discretion will be charged to the Seller on each instance of a double sale.

i) The Seller will make the Vehicle (with at least one set of working keys) available for pick-up at the location specified on the Vehicle Release Form on the sale date or on such later date as the parties may agree (but no later than four (4) business days after the sale date). If the Seller fails to do so, the Auction may at its discretion: (i) charge the Seller a penalty fee, (ii) require Seller to pay some or all of Buyer's Fees and costs, including but not limited to transport, "dry run" fees, floorplan financing interest charges and/or service charges, and/or (iii) cancel the Transaction and require Seller to refund all sale proceeds to the Auction, which will refund the Buyer.

VEHICLE DISCLOSURES

70. **Lights**. The Auction uses a coloured light system to give bidders visual information about the conditions under which the Vehicle is being offered for sale. At In-Lane Sales, the lights mean:

Colour	Explanation
Green	Arbitration is allowed on all issues normally subject to Arbitration.
Yellow	The Seller has made Disclosure(s) regarding the Vehicle. Arbitration is not available for Vehicle conditions that have been disclosed.
Red	The Vehicle is being sold "as is". Arbitration is limited.
White[2]	Any of the following Disclosures or conditions apply: (i) Auction is not in possession of the Vehicle's ownership/registration documents on sale day; (ii) Out of Province[3]; or (iii) Daily Rental.
NOTE: Only Vehicles (i) with more than 160,000 kilometers, (ii) with more than 10 model years, (iii) not intended for use on a public roadway (e.g., boats, snowmobiles or equipment), (iv) that are antique vehicles, recreational vehicles, motorhomes or motorcycles, or (v) sell for less than $3,000 may be sold under a Red Light.	

Light Combinations		
		Green Light Sale. Arbitration allowed on all matters normally subject to arbitration.
		Green Light Sale with Disclosure(s). Arbitration allowed on all matters normally subject to arbitration except for disclosed conditions.
		Red Light Sale. Vehicle is sold As Is. No specific disclosures have been made. Arbitration is limited.
		Red Light Sale. Vehicle is sold As Is. Specific disclosures have been made. Arbitration is limited.
The White Light may be on with any of the above light combinations, indicating that the: ownership/registration documents are not available on sale day, Out of Province Vehicle or Daily Rental Vehicle.		

[2] If the Vehicle is from Alberta or Saskatchewan, please note that the Auction bill of sale stands as the Vehicle registration document. For Alberta Vehicles, a Letter of Registration Confirmation from the applicable Alberta Ministry may be provided on request (fee applies). If you are intending to register an Alberta or Saskatchewan Vehicle in another province, please confirm the documentation requirements with the applicable provincial licensing office before bidding to ensure that you will be able to satisfy them.

[3] The yellow light (and not white light) applies to the Grey Market and U.S. Vehicle disclosures.

71. **DealerBlock® Vehicle Listing Categories.** For Vehicles offered for sale on DealerBlock®, Seller is responsible for designating the appropriate Vehicle Listing Category and ensuring that the Vehicle satisfies the requirements of the category selected. If a Seller fails to designate a Vehicle Listing Category, it will be offered for sale under the As Described category.

Vehicle Listing Category	Explanation
As Is	Vehicle sold "As Is". Arbitration is limited. (Same as Red Light or Red and Yellow Light.)
As Described	Arbitration is allowed on all issues normally subject to Arbitration except for disclosed conditions. (Same as Green Light or Green and Yellow Light)
OEM CPO Eligible	Seller Specific Policies apply. Buyer will be entitled to arbitrate conditions certified under the applicable OEM authorized certified pre-owned program in accordance with the terms of the applicable Seller Specific Policies. See specific program details referenced on the DealerBlock® vehicle listing page for further information.
NOTE: Only Vehicles (i) with more than 160,000 kilometers, (ii) more than 10 model years, (iii) not intended for use on a public roadway (e.g., boats, snowmobiles or equipment), (iv) that are antique vehicles, recreational vehicles, motorhomes or motorcycles, or (v) sell for less than $3,000 may be sold under a Red Light.	

72. **Disclosures**. A Seller will build confidence in its product and credibility with Buyers by disclosing all material facts about the history and condition of Vehicles offered for sale. A Seller who offers a Vehicle for sale at the Auction is required to disclose the information listed below by making the applicable Disclosure. The list is not intended to be exhaustive. As Vehicles and our industry change, the disclosure obligations required of Sellers may similarly change. Accordingly, the Auction reserves the right to consider other information not specifically listed below. Please note that OBD II codes are provided for informational purposes only; therefore, disclosure of an OBD II code does not impact a Buyer's ability to arbitrate a Vehicle.

Disclosure	Interpretation	Arbitration Period
ABS Defective	The Seller must disclose if the anti-lock braking system is not operational (if equipped). Arbitration is only available for repairs over the applicable Arbitration Dollar Threshold (see Major Repair).	Regular
Accident Repair $ _____	The Seller must declare a Vehicle to be Accident Repaired if the total cost to fix damage caused by a single incident was $3,000 or more ($2,000 cumulative incidents in British Columbia). The Accident Repair declaration must be made regardless of whether the damage was caused by collision, accident, weather or by some other incident. If the dollar value of the Accident Repair is known, it must be disclosed. If the dollar value of the Accident Repair is not known but estimate data is available, the estimate data should be disclosed. Although not required, if the Seller chooses to declare an accident repair under $3,000 ($2,000 cumulative in B.C.), it may do so separately as an additional disclosure. Arbitration is not allowed for Accident Repairs under $3,000 ($2,000 cumulative in B.C. only).	Regular
Adjacent Panels Replaced	The Seller must declare if two or more adjacent panels (excluding bumper panels) have been replaced on a Vehicle. Please note: If the panels were replaced due to an accident or other incident, depending on the cost of the repairs, it may also be necessary for the Seller to make the Accident Repair Disclosure.	Regular
Air Bags Missing/Defective	The Seller must disclose if the Vehicle's airbags are missing or not operational. Arbitration is only available for repairs that exceed the Arbitration Dollar Threshold (see *Major Repair*).	Regular
Alternate Fuel or Conversion	The Seller must disclose if the Vehicle uses propane or natural gas, or at any time had a propane or natural gas fuel system.	Regular

Disclosure	Interpretation	Arbitration Period
Excessive Rust	The Seller must disclose if the Vehicle suffers from excessive rust. Rust is considered to be excessive when the location or quantity of the rust affects the structural integrity of the Vehicle, e.g. the frame or any structural component is perforated by rust.	Regular
Fire Damage	The Seller must disclose if the Vehicle has been damaged by fire.	Extended
Flood Damage	The Seller must declare a Vehicle as Flood Damaged when: • water or other liquid has penetrated the Vehicle to the level of the floor boards or higher; or • if any of the following components have been damaged due to immersion: ➢ Front or rear lighting or wiring harnesses ➢ Engine and its major components ➢ Transmission and differential ➢ Dash instrument panel and wiring ➢ Passenger seat cushions ➢ Power seat or window motor ➢ Major sound system components	Extended
Grey Market[4]	The Seller must disclose if the Vehicle was ever registered in a country other than the United States or Canada in the past 36 months or manufactured not in compliance with North American standards. All Grey Market Vehicles offered for sale must include a Vehicle History Report.	Regular
Incorrect Vehicle Marking	The Seller must disclose if any logo, badge, decal, emblem, ornament or similar markings on the Vehicle do not match the make, model or series of the Vehicle.	Regular
Irreparable	Regardless of whether the title has been branded, the Seller must disclose if the Vehicle is not capable of being repaired for roadworthy operation and may only be used for parts or scrap. Irreparable Vehicles are assumed to also be Total Loss Vehicles and thus the Total Loss declaration does not need to be made.	Extended
Kms _____	If the odometer reading is accurate, the Seller must disclose the distance the Vehicle has travelled as indicated on the odometer. Minor odometer discrepancies of 3,000 km or 5% (whichever is less) are not subject to Arbitration.	Extended
Major Repair _____(details)	Where the cost of repair exceeds the Arbitration Dollar Threshold, the Seller must disclose: (a) if a Major Component of the Vehicle is defective or not operational; (b) body damage (including hail damage); (c) non-mechanical or non-electrical defects (excluding Wearable Items and Normal Exterior Wear and Tear); and (d) listed accessories that are not working (e.g. cruise control, lane departure warning). **Arbitration Dollar Threshold**: *Vehicle Sale Price* — *Arbitration Dollar Threshold* Under $42,500: $850 $42,500 and over: 2% of the Vehicle sale price The Arbitration Dollar Threshold is calculated before taxes, on a non-cumulative basis and in accordance with standard Mitchell warranty rates. Major Components include: ➢ Engine ➢ Transmission ➢ Power train ➢ Sub-frame ➢ Electrical/Air ride suspension ➢ Computer equipment ➢ Fuel operating system ➢ Electrical system ➢ Emissions system	Regular

[4] BC mandates a seller to disclose if a vehicle was brought to BC for the purposes of resale. If known, this disclosure should also be made. Otherwise, Buyer should review the registration history to determine whether this disclosure is applicable. No arbitration is available regarding this disclosure.

Disclosure	Interpretation	Arbitration Period
	➢ Anti-lock braking system *Wearable Items* and *Normal Exterior Wear and Tear* are not subject to arbitration. ***Wearable Items*** are parts of the Vehicle that the manufacturer recognizes the need for replacement or adjustment during the expected life of the vehicle. These items are normally identified in the Owner's Manual for routine check and replacement and include but are not limited to: wipers, brake pads, shoes, rotors, calipers, belts, hoses, lubricants, fluids, timing belts, bulbs, filters, manual clutch, shocks and struts. ***Normal Exterior Wear and Tear*** means damage that would be considered normal wear and tear given the distance travelled and age of the Vehicle and is not easily seen, such as scratches that do not break the paint, minor nicks, cuts and/or scuffs.	
Manufacture Repurchase _____(details)	The Seller must disclose if the Vehicle was repurchased by the manufacturer under the Canadian Motor Vehicle Arbitration Plan, or under the laws of any jurisdiction including but not limited to U.S. lemon laws. If the reasons for, date and/or jurisdiction of the repurchase are known, they should be disclosed.	Regular
Material Variation from Production Specs	The Seller must disclose if the Vehicle varies materially from the original manufacturer's specifications.	Regular
Odo 5 digit	The Seller must disclose if the odometer is a 5 digit odometer with over 100,000 miles or kilometers.	Regular
Odo Broken/Faulty	The Seller must disclose if the odometer of the Vehicle is broken or faulty, i.e. not accurately tracking distance driven.	Regular
Odo in Miles	The Seller must disclose if the odometer is in miles.	Regular
Odo Replaced	The Seller must disclose if the odometer has been replaced.	Extended
Odo Roll back	The Seller must disclose if the odometer has been rolled back.	Extended
Odo Unreadable	The Seller must declare the odometer to be unreadable if it is accurately tracking distance driven but cannot be read due to pixel damage, because the Vehicle cannot be started to obtain an odometer reading, or similar reasons.	Regular
Out of Province[5] _____(list)	If the province of the last registration (or equivalent) to a retail customer is different than the jurisdiction from which the Vehicle is currently being sold, the Vehicle must be declared an out of province Vehicle and the Seller must identify the last province in which the Vehicle was registered (or equivalent) to a retail customer. For Vehicles sold in Ontario only: A Vehicle remains an out of province Vehicle and must be so declared, if it was previously registered to a retail customer in another province and has been registered in Ontario for less than 7 consecutive years. The Seller must declare all of the provinces in which the Vehicle was previously registered.	Regular
Previous Daily Rental	The Seller must disclose if the Vehicle was previously used as a daily rental vehicle at any time in the previous 24 months.	Regular
Previous Driving School Vehicle	The Seller must disclose if the Vehicle was previously used as a driving school vehicle.	Regular
Previous Emergency Services Vehicle	The Seller must disclose if the Vehicle was previously used as an emergency services vehicle.	Regular
Previous Police Vehicle	The Seller must disclose if the Vehicle was previously used as a police cruiser.	Regular

[5] The Out of Province Disclosure only needs to be made in those provinces where the disclosure is required by law.
BC mandates a seller to disclose if a vehicle was brought to BC for the purposes of resale. If known, this disclosure should also be made. Otherwise, Buyer should review the registration history to determine whether this disclosure is applicable. No arbitration is available regarding this disclosure

Disclosure	Interpretation	Arbitration Period
Previous Racing Vehicle	The Seller must disclose if the Vehicle was previously used in organized racing.	Regular
Previous Taxi/Limo	The Seller must disclose if the Vehicle was previously used as a taxi or limousine.	Regular
Stolen and Recovered	The Seller must disclose if the Vehicle was recovered after being reported stolen.	Extended
Structural Alteration	The Seller must disclose if there has been an alteration to the Vehicle's structure such as lengthened or shortened frame, modified suspension, snow plow, hitch or fifth wheel.	Regular
Structural Damage	The Seller must declare a Vehicle to have structural damage if there has been damage to the structure or a specific structural component of the Vehicle that meets the definition of structural damage set out in Section VIII of the National Auto Auction Association's Arbitration Policy regarding Structural Damage. (See the *Standards* section on the NAAA website found at *www.naaa.com*)	Extended
Title Branded _____(brand)	The Seller must disclose if the Vehicle's title has been branded in accordance with provincial or state law and must indicate the brand(s) assigned. Please see Section 52 for important information regarding registration of Rebuilt Vehicles out of province.	Extended
TKU	The Seller must declare a Vehicle TKU (true kilometers unknown) if the distance traveled is unknown and there are no reliable records available to verify the odometer reading as of a certain date. When this Disclosure is made, it should be assumed that the total distance that the Vehicle has been driven is substantially higher than the reading shown on the odometer.	Extended
TKU _____km as of _____(date)	If the total distance driven is unknown, but based on reliable records, the distance driven as of a certain date is known, the Seller must declare the last known distance and provide the date. When this Disclosure is made, it should be assumed that the total distance that the Vehicle has been driven is higher than the reading shown on the odometer.	Extended
Total Loss	The Seller must declare if an insurer determined the Vehicle was a total loss. A Vehicle is deemed to be a total loss if the Vehicle was ever transferred into the name of an insurer.	Extended
U.S. Vehicle[6]	The Seller must declare if the Vehicle was ever registered in the United States or manufactured not in compliance with Canadian standards. All U.S. Vehicles offered for sale must include a CarProof Verified Vehicle History Report, or equivalent.	Regular
VIN Plate issues	The Seller must disclose if the original VIN plate (on the driver's side of the dashboard) has been removed, altered or replaced. Vehicles may not be offered for sale unless the original VIN plate is intact or has been replaced in accordance with provincial and federal regulatory requirements.	Regular
Warranty Cancelled	The Seller must disclose if the manufacturer has cancelled the warranty on the Vehicle or has given notice of its intention to do so. Notice of warranty cancellation given after the date of sale is not subject to Arbitration.	Regular
Year _____ Make _____ Model _____ Series _____	The Seller must disclose the year, make, model and series (i.e. trim level) of the Vehicle as indicated by means of VIN decoding.	Regular

73. **Open Recalls**. ADESA follows the NAAA (Canada) standards for Open Recalls (www.naaa.com/standards/Open_Recall_Canada.htm). Transport Canada and the US National Highway Traffic Safety Administration (NHTSA) both offer search tools which provide open recall status on vehicles (Transport Canada: www.tc.gc.ca; NHTSA: www.safercar.gov). A Seller will build credibility in its product, and a Buyer will have more confidence in its purchase decisions when there is disclosure and/or awareness of all material facts about a vehicle being offered for sale or considered for purchase. As such, ADESA recommends Sellers use Transport Canada, NHTSA's and/or Manufacturer VIN lookup tools

[6] BC mandates a seller to disclose if a vehicle was brought to BC for the purposes of resale. If known, this disclosure should also be made. Otherwise, Buyer should review the registration history to determine whether this disclosure is applicable. No arbitration is available regarding this disclosure.

on each vehicle registered for sale and provide disclosure to Buyers of such information in the event an open recall exists on any particular vehicles and that Buyers use the same on each vehicle being considered for purchase to ensure awareness of all material facts prior to bidding on vehicles. ***Please note, this recommendation does not change current arbitration policies**. If*, due to the nature of the recall, the dealer is prohibited by law from retailing the vehicle in Canada, the outstanding recall must be disclosed.*

74. **MAJOR DECEPTION**. Regardless of the light under which the Vehicle ran, the Vehicle listing category, or the limits on arbitration as stated in these Policies, the Auction reserves the right to allow arbitration and/or suspend a Customer's auction privileges where the Customer has engaged in Major Deception.

75. **Limitations on the Availability of Arbitration**

Arbitration is not available for the following:	*Exceptions:*
Matters that were properly disclosed as Seller Disclosures.	None
Matters disclosed in a Vehicle History Report, Condition Report or similar source made available to the Buyer before the bidding begins. *Note: Arbitration may not be available for conditions disclosed in a Vehicle History Report if contradicted by other more reliable sources.*	None
Vehicles sold under a Red Light	Odometer (Odo Roll back, Odo Replaced, TKU) Title issues Branding issues Existing structural damage
Matters raised outside of the applicable Arbitration period.	At Auction's discretion
Wearable Items and Normal Wear and Tear.	None
Minor odometer discrepancies of 3,000 km or 5% (whichever is less).	None

ARBITRATION

76. **Arbitration Services**. The Auction offers an Arbitration service to resolve disagreements between Buyers and Sellers. Our process is designed to be impartial, quick, and economical. The overall purpose of Arbitration is to maintain the integrity and fairness of the auction process for both Buyers and Sellers. Our Arbitration professionals are trained Auction employees who understand the automotive remarketing business.

77. **Closed Sale Rules**. "*Closed Sale***"** means an In-Lane or Online sale hosted by a Seller using ADESA's services at which only certain Buyers designated by the Seller (typically **franchise** dealerships of a specific manufacturer brand) are permitted to bid on and buy Vehicles. "*Open Sale*" means an In-Lane or Online sale hosted by ADESA at which all Buyers are permitted to bid on and buy Vehicles. Closed Sales may be subject to different Arbitration rules which are set by the Vehicle Seller (the "**Closed Sale Rules**"). The Closed Sale Rules apply only to the Buyers designated by the Seller as eligible to bid on and buy Vehicles in the Closed Sale (the "**Closed Buyers**") and the Seller is responsible for communicating those rules to the Closed Buyers. For Vehicles first listed in an Online Closed Sale (also known as a "Private Label" sale) and then moved to an Online Open Sale (i.e. the restriction on permitted Buyers is lifted), then: (a) these Arbitration Rules (and not the Closed Sale rules) will apply to Vehicles sold in the Open Sale to Buyers who are not Closed Buyers; and (b) the Closed Sale rules will apply to Closed Buyers regardless of whether they bought the Vehicle in a Closed Sale or Open Sale.

78. **Starting an Arbitration Claim - In-Lane and Online Sales**

a) *Pay for Vehicle*. An Arbitration claim may not be started until the Buyer has paid for the Vehicle in full.

b) *Contact Arbitration Department*. After paying for the Vehicle, a Customer may initiate an Arbitration claim by contacting the Auction's Arbitration department before the end of the Arbitration period and providing the information required to complete an Arbitration form. Only those matters identified in the Arbitration form will be considered by the Arbitrator. Regular Arbitration claims may be submitted only once per Vehicle sale.

c) *Arbitration Location*. For In-Lane Sales, the Arbitration must be initiated at the Auction location where the Vehicle was purchased.

79. **Starting an Arbitration Claim – Online Sales**

a) *Start Arbitration Claim*. Before starting a claim, Buyer must pay Auction all amounts owing including any transportation costs. Buyer starts arbitration claim by submitting appropriate information and documentation online to Auction arbitration department through Auction Customer Service Portal (or as otherwise directed by Auction) before the expiry of the arbitration period. Buyer submits the following information: Buyer's name and telephone number; contact person and telephone number; Vehicle VIN, model and year; Delivery Time; and a description of the issue(s) to be arbitrated.

b) *Submit Supporting Documentation*. No later than two (2) business days after starting the claim, Buyer is required to submit supporting documentation, including but not limited to: (i) digital photographs of the defect(s) underlying the Claim, (ii) wholesale (not retail) repair estimates from an independent and reputable source; and (iii) bill of lading, transport release form, or other form of delivery receipt from transportation company to establish when the vehicle was delivered, if applicable. Buyers are reminded to carefully inspect the Vehicle at the time it is picked up from the Seller's location. Any issues with the Vehicle must be noted on the Bill of Lading and signed by a representative of the Seller. In addition, Buyer is required to communicate any issues to ADESA within the arbitration period.

c) *Buyer's Obligations*. Buyer will not use any Vehicle or make any repairs or improvements to a Vehicle that is subject to an arbitration claim. Buyer may lose the right to make or continue a claim if Buyer drives Vehicle other than for test-driving purposes (not to exceed 20 kms if Vehicle transported by carrier, or 250 kms if Vehicle transported by drive-away). Pending a final decision on the claim, Buyer must, at its own expense, take reasonable steps to care for, preserve, secure and store the Vehicle until the Vehicle is properly returned. Buyer is not entitled to charge any parking, marshaling or other fees in connection with its preservation of the Vehicle. Buyer will be charged the cost of damage repair and/or assessed a penalty fee for any breach of this provision. If Buyer makes any repairs or improvements to a Vehicle while an arbitration claim is pending, it does so at its own risk. Generally, these costs will not be recoverable from the Seller; however, exceptions may be made in very limited circumstances at the Arbitrator's discretion.

80. **Arbitration Periods**. Depending on the nature of the claim, the Arbitration period will either be Regular or Extended.

a) *Regular*. For In-Lane Sales, the Regular Arbitration period is the end of business on sale day. The Vehicle must remain on the Auction premises or the Buyer risks losing the right to make a claim. For Online Sales, the regular Arbitration period is two (2) business days after delivery of the Vehicle to the Buyer[7]. See Section 80.c) regarding arbitration period for Vehicle History Report disclosures.

b) *Extended*. For In-Lane Sales, the Extended Arbitration period is seven (7) calendar days from the date of sale. For Online Sales, the Extended Arbitration period is the later of: (i) seven (7) calendar days from the date of sale; or (ii) two (2) business days after the Vehicle is delivered to the Buyer. See Section 80.c) regarding arbitration period for Vehicle History Report disclosures.

c) *Arbitration Period for Vehicle History Report Disclosures*. For both In-Lane Sales and Online Sales, for information disclosed in a Vehicle History Report delivered after the sale, the arbitration period is one (1) business day after the Vehicle History Report is made available or the applicable Extended arbitration period, *whichever is less*. No arbitration is available for disclosures in a Vehicle History Report that is made available before bidding begins.

d) *Lengthening the Arbitration Period*. The Auction reserves the right to lengthen the Arbitration period when, in the opinion of the Auction General Manager (for DealerBlock®, in the opinion of the Arbitrator) it would be fair and reasonable to do so. Although the Seller is required to make all applicable Disclosures, the Buyer is also required to be diligent in its inspection and research of its Vehicle purchases. Thus, if, by exercising reasonable diligence, the Buyer could have discovered a potential Arbitration issue within the applicable time period, it is unlikely that an exception to the Arbitration time limits will be made.

e) Summary:

	In-Lane Buyer	**Online Buyer**
Regular	End of business on sale day	2 business days after delivery.
Extended	7 calendar days	Later of: 7 calendar days from date of sale or 2 business days after date of delivery.
Vehicle History Report Disclosures	Earlier of: (i) 1 business day after Vehicle History Report provided, or (ii) 7 calendar days after date of sale.	Earlier of: (i) 1 business day after Vehicle History Report provided, or (ii) later of 7 calendar days after date of sale, or 2 business days after delivery.

81. **Investigation**. The Arbitrator will review only issues identified in the initial claim. The Arbitrator may, but is not required to, consult with the Buyer, Seller or both parties to gain a better understanding of the issue(s) under Arbitration. Depending on the issue, the Arbitrator may also

[7] Please note the Remedies limitation applicable to Online Sales that are eligible for regular Arbitration.

seek the advice of the Auction's mechanics, trained vehicle inspectors or other experienced Auction staff. When appropriate, the Arbitrator may refer the Vehicle to an external resource such as an authorized dealership or specialty shop for consultation.

82. **Decision**. After completing the investigation, the Arbitrator will decide whether the Arbitration complaint is valid. Before deciding on an appropriate remedy, the Arbitrator may attempt to mediate a resolution between the Buyer and the Seller. If agreement cannot be reached, the Arbitrator will decide the appropriate remedy, if any.

83. **Remedies**

a) *Generally*. The Arbitrator has a broad discretion to grant any remedy or relief that he/she considers to be fair and reasonable in the circumstances. The purpose of the Arbitration remedy is to ensure that the aggrieved party is fairly compensated for its loss. In some circumstances, such as where a Disclosure does not affect the value of the particular Vehicle, there may be no loss and thus no remedy. Remedies could involve: cancellation of the sale and refund of the purchase price, reimbursement of costs and/or expenses incurred, partial refund of the purchase price, repair of defect at Seller's expense, repair of defect with the costs apportioned between the Buyer and the Seller, no financial or other compensation, or similar remedies.

b) *Limitation for Online Sales*. Online Buyers require a Post-Sale Inspection to be eligible for full Arbitration remedies. A Post-Sale Inspection is mandatory for many Online Vehicle purchases (see Section 37). For all Online Vehicle Sales, in the absence of a Post-Sale Inspection, if the arbitrator determines that the sale should be cancelled, (except for Seller's Major Deception) the online Buyer's remedy will be limited to the purchase price of the Vehicle. All other expenses incurred by the Buyer including, without limitation, transportation expenses, mechanical repair expenses and reconditioning expenses will not be recoverable. Please note that this limitation does not apply to Off-Site Vehicles.

84. **Arbitration Fees and Costs**. The Auction reserves the right to assess an Arbitration Fee against the Buyer and/or Seller. If the Auction incurs costs as part of its investigation (e.g. referral to an external resource, towing, transportation, etc.) the Arbitrator, as part of the remedy imposed, will determine liability to pay the costs incurred. Arbitrations that result in the cancellation of an Off-Site Vehicle sale will automatically be subject to Fees including but not limited to the Sale Fee and Buy Fee.

85. **Finality**. The decision of the Arbitrator and the remedy imposed is final and binding on the Buyer and Seller. By doing business at the Auction, the Buyer and Seller agree to participate in the Auction's Arbitration process and to observe, perform and be bound by the decision of the Arbitrator. Upon fulfilling the Arbitrator's decision, the Buyer and Seller are deemed to release each other from all claims and demands in respect of the matters referred to Arbitration.

86. **Return Process**

a) *Return Process for DealerBlock at-Auction, In-Lane and ADESA Simulcast Sales*. If the Arbitrator determines that the sale should be cancelled, the Buyer must return the Vehicle to the closest Auction Location. A Vehicle is not considered returned until it is received, inspected and approved for return by Auction management. A returned Vehicle must be in the same or better condition as when it was sold. An excess kilometres fee may be assessed against returned Vehicles.

b) *Return Process for Off-Site Vehicle Sales*. If the sale is cancelled, Buyer and Seller will follow the instructions provided by the Arbitrator regarding arrangements for pick-up and delivery of the Vehicle. Buyer will make the Vehicle available for pick-up by the Seller. Seller will be responsible for all Vehicle return transportation costs and, if so determined by Arbitrator, Buyer's transportation costs. If Vehicle is returned to an ADESA Location, the return process applicable to DealerBlock®, In-Lane and ADESA Simulcast sales will be followed. If Vehicle is not returned to an ADESA Location, risk of loss of the Vehicle remains with Buyer until the Vehicle is delivered to Seller or to Seller's carrier or other agent. Buyer is responsible for ensuring that at time of delivery to Seller, Vehicle is in the same or better condition as when it was sold.

87. **Customers**. Arbitration is a service available to Auction Buyers and Sellers only and not to their customers. The service is not available if the Buyer no longer has possession or ownership of the Vehicle.

88. **Legal Proceedings**.

a) No action or legal proceedings will be commenced or prosecuted by the Buyer or the Seller against the other concerning:

i. Any matter that is or was the subject of Arbitration unless to enforce the terms or conditions of the Arbitrator's decision; or

ii. Any matter for which Arbitration is not available under the Auction Policies unless Arbitration is not available because and only because the time limit for submitting the matter to Arbitration including any extension of the time period has expired.

b) No action or legal proceeding will be commenced or prosecuted by the Buyer or the Seller against the Auction for any matter, cause or thing directly or indirectly related to the Auction's Services or the failure to provide Services, including but not limited to Arbitration services. Unless otherwise prohibited by law, Buyer and the Seller release and waive all rights, remedies, claims, and causes of action against the Auction from any claim or remedy whatsoever, whether known or unknown, for or by reason of using the Auction's Services or facilities including but not limited to its Arbitration services.

Please Note. The Arbitration process is not a tool for price reduction or for dealing with “Buyer’s remorse”. Buyers are cautioned to avoid impulse buying and to inspect Vehicles thoroughly before bidding. All used Vehicles generally have flaws and may require repairs. Buyers should allow for this in their bidding. Arbitrations are regularly monitored by the Auction. Sellers who repeatedly fail to properly represent their Vehicles by making all required Disclosures or Buyers who repeatedly submit questionable Arbitration claims, may have their Auction privileges temporarily or permanently suspended.