

# **OKLAHOMA AUTO EXCHANGE POLICY AND PROCEDURES**

The Oklahoma Auto Exchange, (OAE), is an automobile auction licensed by the Oklahoma Used Motor Vehicle Commission. All Licensed Dealers are welcomed to participate in the buying, selling and consignment of automobiles. The following procedures will assist all parties in understanding the expectations of conducting business in a fair and equitable manner.

## **REGISTRATION**

- Any person entering the property must immediately register with the OAE business office.
- The OAE will require all Dealers to complete registration information and additional information if requested.
- A copy of the current State Dealers license must be submitted with all registration information.
- It is the Dealers responsibility to provide updated and current information regarding their registration information
- The OAE business office must be notified in writing regarding any changes that involve the registration information.
- All Dealers must be registered with the OAE and have been issued a “Registration Card.”
- All dealers must use their Registration Card to obtain a Bidders Badge before entering the sales area to transact business.
- No one may use a Registration Card that is not their own.
- The OAE reserves right to access credit reporting agencies to obtain and verify credit history.

## **BUSINESS POLICIES**

- All persons on the OAE property agree to abide by all Federal, State, County and Municipal ordinances and laws.
- All persons on the OAE property agree to abide by all policies, procedures and decisions of the OAE.
- All vehicles on the premises of OAE will allowed to be reviewed by any governmental law enforcement agency.
- OAE reserves the right to refuse anyone the use of its services.
- OAE makes no representations or guarantees regarding any vehicle.
- All transactions are subject to final approval through OAE management.
- Any disputed transaction is to be immediately reported to the OAE management.
- OAE reserves the right to search any package or vehicle entering the property.
- The OAE makes no guarantees regarding the mileage of any vehicle.

- Any dealer or agent causing damage to a vehicle or the premises will be liable for the cost to repair all damages.

## **LIABILITY**

- The OAE assumes no liability for physical damage to vehicle, theft of contents or the vehicle, or any general liability while vehicles are being bought, sold or on consignment.
- All persons who are buyers, sellers or consignors, their agents and guests, agree to indemnify and hold harmless the OAE and any of its agents for any liability or claim.

## **SELLER PROCEDURES**

- Bidder Badges will be displayed in a visible manner at all times.
- The auctioneer will not acknowledge or accept bids from anyone who does not have a Bidders Badge provided by OAE.
- The OAE will not be responsible for any statements or representations made by a seller, third party or consignor.
- Only announcements made publicly by the auctioneer, on behalf of the Seller, will be deemed valid.
- All transactions must be paid for no later than one hour after the auction has ended.

## **SELLER RESPONSIBILITIES**

- To ascertain and represent that the vehicle is in a condition safe for driving on public streets. If the vehicle is not safe to be driven on public streets, the Seller must disclose the relevant facts before the vehicle can be sold.
- To provide OAE a marketable title which is free and clear of any liens or encumbrances within 30 calendar days of the date the vehicle is sold.
- Agrees to pay OAE their fees for all vehicles that are returned because the title is not clear and marketable.
- Agrees to pay OAE their fees for all vehicles returned and arbitration rules against the Seller.
- The seller agrees to pay all reasonable transportation charges.

## **SELLER DECLARATIONS**

- The correct description, mileage and condition, including any relevant information regarding the vehicle.
- Deployed or missing air bags.
- Frame damage and/or repaired frames.
- Police cars, taxi cabs, rebuilt units and theft recovery vehicles.
- Any vehicle listed as “Major Damage Loss.”

- Re-assigned identification numbers.
- Vehicles missing or altered factory emission equipment.
- The true and correct odometer reading.

## **BUYER'S RESPONSIBILITY**

- Inspect vehicles before the sale begins.
- It is the buyers' responsibility to ensure that the miles and year of the vehicle printed are correct.
- To make their bids known to the ring man or auctioneer.
- To be aware of any announcements regarding vehicles made by the OAE auctioneer.
- Immediately acknowledge your acceptance of being the winning bidder and sign the block ticket for the vehicle.
- Inspect all vehicles purchased within one hour after the sale is completed or before you leave the premises.
- Pay the sale price and all fees by draft, cash or check on the day of the sale before leaving the OAE premises. When the vehicle is paid for, the transaction is final.
- Remove all purchased vehicles from the OAE premises within seven (7) calendar days from the date of the sale. Vehicles left on the premises after the seven days will be assessed a storage fee.
- Any vehicles purchased and left on the premises over 90 calendar days will be disposed of by the OAE. The auction will keep all proceeds in lieu of storage charges.
- A buyer has one week from day of the sale, or until the following Tuesday, to return a vehicle for frame damage.
- There will be a \$50 charge for changing a buyer on a sale transaction.

## **TITLES**

- If a clear and marketable title is not provided to the auction within 30 calendar days after the vehicle is sold, the buyer may return the vehicle to the auction.
- If the seller represents the vehicle "late title" seller has up to 60 days to provide the buyer with a title.
- **Under no circumstances** will a buyer perform any improvements to a vehicle until the title has been provided to them.
- The buyer is responsible for any improvements made to a vehicle before the title is provided.
- If a clear title can not be provided to the buyer and the vehicle is returned by the buyer, it must be returned in the same condition as when it left the auction.
- If the seller represents the vehicle to have a clear title and marketable title and it comes in salvage, insurance dated, etc... the buyer has the right to return the vehicle. Transportation costs will be reimbursed to the buyer and the OAE will asses a fee to be paid by the seller.

- All sellers' checks will not be released until 4:00 pm on the day of sale. This is to protect against vehicles being arbitrated after check has been distributed.
- The buyer must notify the auction 24 hours before returning a vehicle. The vehicle must be on the auction premises before the buyer is released from responsibility.
- There will be a \$100 fee for a duplicate or lost assigned title.

### **“IF” BIDS**

- It is the buyer's responsibility to contact the OAE to determine if the seller has accepted their “IF” bid. Upon notification by the seller, the auction will attempt to notify buyers, but the responsibility remains with the buyer.
- Sellers have until 5:00 pm on the day the vehicle is sold to accept or reject any “IF” bid. Failure to respond renders the buyer not responsible for the vehicle.
- It is the buyer's responsibility to arbitrate any “IF” bid within 1 hour after the sale.
- When the seller accepts the bid, the vehicle is considered sold and the buyer must immediately pay for the vehicle.

### **VEHICLES LEAVING THE PREMISIS**

- No vehicle will leave the premises without a current OAE gate pass or receipt of payment.
- All “test drive” vehicles must be accompanied with a gate pass and returned within 30 minutes to the OAE premises.

### **ARBITRATION GUIDLINES**

#### **Light System**

- **Green Light:** Seller guarantees engine, rear end, transmission, power steering, drive train and air conditioning. Mechanical repairs less than \$500.00 wholesale per item can not be arbitrated.
- **Yellow Light:** Seller guarantees transmission, rear end and drive train. Mechanical repairs less than \$500 per item wholesale can not be arbitrated.
- **Red Light:** “AS IS”- no guarantee, no arbitration.

#### **Procedures**

- All arbitration claims must be presented on the day of sale.
- The OAE Office Management will make the final determination on all arbitration issues.

- If the buyer or seller does not accept the arbitrator's position, OAE will determine the outside arbitrator to be utilized. The expense for consultation and or arbitration will be the responsibility of the party who is declared wrong.
- It is the Buyers' responsibility to immediately contact the OAE Office Management on the sale day and file a written arbitration claim.
- On the day of sale, the Buyer must receive a "turn down" authorization form from the OAE office for the vehicle to be examined by the OAE arbitrator.
- There will be a \$50.00 fee assessed to the buyer if we do not find that it is a legitimate arbitration.
- A buyer has one week from day of the sale, or until the following Tuesday, to return a vehicle for frame damage.
- Rear ends can only be arbitrated for bearing noise on ford explorers and mercury mountaineers.
- K- frame is not considered part of the frame.
- ABS light can not be arbitrated on a yellow light vehicle.
- A \$100 fine will be issued to anyone found tampering with a vehicle.

### **Criteria**

- All vehicles sold for a \$1,000 or less are sold "as is" meaning no changes or exceptions.
- All vehicles 10 years and older are sold "miles exempt" from arbitration.
- Malfunctioning odometers must be arbitrated on the day of sale.
- Identification number issues must be arbitrated on day of sale.
- The OAE will not arbitrate vehicles with claims relating to visual damage; hail, weather, broken glass, paint work.
- The OAE will not arbitrate vehicles with claims relating to shocks, brakes, ABS light, check engine light, airbag light, electrical (power windows, sunroof, power seats, computers, etc...), leaky gaskets, shocks, tires, alignment or any interior problems.
- Vehicles sold for more than \$1,000 can be arbitrated for frame damage and cracked block.
- Vehicles cannot be arbitrated for windshield markings or auction catalog information.
- If a title is different than represented on the day of sale.
- CV Joints are not covered under OAE arbitration policy on a yellow light vehicle
- Information furnished on the hang tags is for convenience only and are not grounds for arbitration. It is the buyer's responsibility to check the year, model and mileage.

### **Extensions**

- Undisclosed "branded titles the day the title arrives
- Frame Damage: Before noon, 7 calender days from date of purchase.
- Undisclosed police cars/taxi cabs: Before noon, 3 days from date of purchase.
- Flood damage: Before noon, 3 days from date of purchase.
- Cracked Block: Before the close of business, the day of sale.

- Deployed or missing airbags: Before the close of business, the day of sale.

**ALL REGISTRANTS AGREE TO ABIDE BY ALL RULES AND REGULATIONS OF THE AUCTION. BY SIGNING THE DEALERS APPLICATION THE DEALER AGREES TO ALL TERMS LISTED BY THE AUCTION.**