

Brasher's Openbook

RULES & POLICIES

Introduction

These policies form the basic agreement between Sellers, Buyers and Brasher's Auto Auctions (herein referred to as "Auction"), regarding Brasher's Openbook auctions. All participating dealers and their representatives who do business at Brasher's Openbook Auction are deemed to have read and to have agreed to these policies in addition to Brasher's General Rules and Policies.

A lack of knowledge concerning these Rules and Policies does not release dealers or their representatives from their obligation to abide by them. Brasher's reserves the right to modify, change or amend these policies at any time. The Auction's decisions pertaining to the interpretation of issues or disputes shall be final and binding.

It is the responsibility of participating dealers and their representatives to be aware of these Rules & Policies. Dealers and their representatives that do not comply may be barred from doing business with the Auction.

In order for a vehicle to be considered a "frontline" vehicle, eligible for consignment in the Openbook Auction, it must have a vehicle grade of "4 - Above Average" to "5 - Excellent" according to the National Auto Auction Association's vehicle grading standards as published at <http://www.naaa.com/files/public/gradingcard.pdf>. Additionally, they must qualify to offer the "Pipeline Preferred" warranty (see Appendix I).



The vehicle is in excellent condition, with only minor defects in panel surfaces which do not require conventional body or paint work. Limited high-quality repairs may have been performed. There are no missing, broken or damaged parts and no visible glass damage. The vehicle's frame/structure has not been repaired or altered and is expected to measure to published specifications. The interior has no cuts, tears or burns, does not show signs of wear and has no noticeable offensive odor. The vehicle is mechanically sound and all accessories are operable. All fluids are full and clean. Tires match by brand, size and style, and are in near-new condition.



The vehicle is better than average with only minor chips or scratches in panel surfaces which may require minor conventional body and paint work or paintless dent repair. The vehicle may have sustained cosmetic or light collision damage and received high-quality repairs. The vehicle's frame/structure has not been repaired or altered, and is expected to measure to published specifications. A minor missing or broken part may require replacement. The interior is clean, shows minimal wear and has no noticeable offensive odors. There is no visible glass damage beyond minor pitting of the windshield. The vehicle is mechanically sound and all accessories are operable. Fluids may require service. Tires match by brand, size and style and are in good condition.

Source: National Auto Auction Assoc.

I. Registration

Dealers that wish to participate online in Brasher's Openbook Auction must be registered with the Auction and with AuctionACCESS. Dealers participating at the physical auction must be registered and must have secured a bidder badge at the Auction.

II. Auction Guidelines

- Copies of the Auction's General Rules and Policies, including these supplemental Openbook Auction Rules are available online at www.brasherssaltlake.com.
- Any issues on purchased vehicles that are brought to the attention of the Auction after the allowed time limit will not be addressed.
- The information provided by the Seller (Book sheet and Disclosure Sheet) is provided as a tool for bidding. This information *must* be accurate as errors and/or omissions are subject to arbitration.
- Currently, all vehicles are sold as guaranteed frontline ready units, in accordance with the "Pipeline Preferred" designation as outlined in Appendix I.
- All vehicles must be inspected within 48 hours of delivery or 10 days from purchase, whichever comes first, and any arbitrable issues must be brought to the attention of the Auction's arbitration staff in writing via email or fax.
- AutoCheck and CarFax issues are arbitrable unless disclosed.

III. Seller Responsibilities

- Provide Brasher's staff with an accurate and current book sheet and at least one exterior and one interior picture of the vehicle by 2:00 p.m. , the day before the sale. Kelley Blue Book (KBB) and NADA book sheets are accepted. KBB updates weekly on Fridays; NADA evaluator book sheets are updated monthly. Please ensure that you are sending the most current book sheets for your consigned vehicles.
- Submit a complete and accurate "Disclosure Sheet", including current odometer reading and any AutoCheck or CarFax announcements and/or CPO information if applicable. Units announced as "Certified" must meet OEM standards.
- Provide floor prices for all consigned vehicles or be present during the sale to represent consigned vehicles.
- Sellers must be available to accept or decline offers during and immediately following the sale.
- If a sale is "unwound" as a result of arbitration, the Seller is responsible for transportation, an inspection fee if required, and all other applicable auction fees.
- When a vehicle sells, you must recognize the vehicle as sold and remove it from your retail offerings, declining to take subsequent offers from wholesalers or retail buyers.

IV. Buyer Responsibilities

- Buyer will honor all bids he or his designated Buyers have made.
- It is the Buyer's responsibility to pay attention to all announcements prior to bidding.
- Buyer must verify year, make, model mileage and represented vehicle condition within 48 hours of delivery. NOTE: The physical location (city, state) of each vehicle is published. If Buyer elects to handle transportation directly rather than utilizing Brasher's to arrange transportation, proof of delivery date and time will be required in the event an arbitration claim is made. Buyers must make arrangements to remove purchased vehicles from the selling dealer's lot within 48 hours unless alternative arrangements are made through Brasher's with the Seller. Buyer will be responsible for Auction fees if a sale is cancelled as a result of a late pick-up.
- A \$500 deductible is in place on all vehicles purchased and will not be considered for arbitration. However, all safety related items as determined by the Auction are arbitrable.
- If a sale is "unwound" the vehicle must be returned to the Seller within 3 business days and must be returned in the same condition as when delivered with no more than 25 additional miles (miles in excess of delivery distance to and from the purchasing dealership).

V. Seller Guarantees

- Clean Title.
- Accurate book sheets and Disclosure Sheets.

"Power Booking" (intentionally misrepresenting a vehicle and/or its options), may result in an "unwind" with Seller paying all transportation and auction fees. In addition, Seller may lose all further auction privileges at Auction's discretion.

- Accurate odometer reading
- Paintwork and Body Condition.
- Clean CarFax or AutoCheck announcements.
- "Certified" unit announcements.
- Frontline vehicle condition standards are met.

VI. "Ifs"

- All offers made at the Openbook Auction, both during the sale and immediately afterwards, will be binding until the end of the business that day. Seller will be called immediately following the sale to accept or reject offers. Buyers will be contacted regarding the outcome of offers.
- The auctioneer will take "reasonable" offers during the sale if Seller is not present and the floor price is not met.

VII. Arbitration

In order to enter a vehicle into arbitration, Buyer must notify Brasher's Openbook auction staff within 48 hours of delivery of the vehicle being purchased. Notification must be made via email or fax. Phone notification is not acceptable. If Buyer fails to notify Brasher's within the allocated time limit, arbitration will not be considered.

VIII. Titles

The seller must deliver a clean and transferable title to Brasher's within 21 days of the sale.

ALL TITLE ISSUES MUST BE ANNOUNCED, PER AUCTION GENERAL RULES & POLICIES.

IX. Payment

Buyers must make payment by the end of business the day following the auction via Cashier's Check, Company check (if approved by Brasher's), wire funds transfer or approved Inventory Financing.

Payment must include bid price, Buyer's fees, and all other transport and applicable fees and charges.

X. Guidelines for Openbook Auction Success

- Consign early – the longer vehicles appear on the Auction Pipeline's Openbook run list, the more exposure they will receive from potential buyers.
- Ensure that vehicles offered in the Openbook Auction are ready for pickup immediately following the sale.
- Submit only vehicles that are frontline ready – no "fresh trades."
- Dealers are responsible for the accuracy of the book sheet and the Disclosure Sheet.
- Provide Auction with a realistic floor price.
- Good photographs will help market and sell your vehicle – just like they do for a retail buyer.

For current Openbook information and further details, please visit:

www.brashersopenbook.com

APPENDIX I

Pipeline Preferred Qualification Criteria**OVERVIEW**

- Pipeline Preferred program features high-quality dealer consigned vehicles available for wholesale purchase in the lanes and online at participating Auction Pipeline auctions.
- Pipeline Preferred builds buyer confidence online and in the lanes through the assurance of a premium designation of vehicle quality. For on-site vehicles, should a vehicle sell, a post-sale inspection is required. For book sheet sales via one of Brasher's Openbook lanes, a post-sale inspection is not required. However, Seller acknowledges that final sale is subject to Buyer's acceptance of a vehicle meeting Pipeline Preferred criteria.
- Vehicle entry deadline: 2:00 p.m. Monday, preceding the sale each Tuesday.
- Seller ensures vehicle condition as follows:
 - The vehicle is mechanically sound and all accessories are operable.
 - The vehicle is better than average with only minor chips or scratches in panel surfaces which may require minor conventional body and paint work or paintless dent repair.
 - The vehicle may have sustained cosmetic or light collision damage and received high-quality repairs.
 - The vehicle's frame/structure has not been repaired or altered, and is expected to measure to published specifications.
 - A minor missing or broken part may require replacement.
 - The interior is clean, shows minimal wear and has no noticeable offensive odors.
 - There is no visible glass damage beyond minor pitting of the windshield.
 - Vehicle fluids may require service.
 - Tires match by brand, size and style on each axle (on both axles for AWD units) and are in good condition.
 - Vehicle must have minimal or no rust.
 - Vehicle mileage is less than 100,000 miles and is actual miles.

- With a dealership’s authorization to third party data collectors (such as Dealer Specialties or Platinum Dealer Services), Brasher’s can automatically transfer vehicle images to help market vehicles via Auction Pipeline. Dealers can upload their own images via their Consignment report on Auction Pipeline. Brasher’s will photograph vehicles that are on-site when other images are not available.
- On-site vehicles will be identified with the Pipeline Preferred labels as they run through the lanes.
- Buyer may purchase Pipeline Preferred units in the lanes or online using Pipeline Simulcast. Pre-bids (pre-sale proxy bids) may be placed up until 2 hours before the live auction begins.
- For on-site vehicles, online buyers must purchase a Pipeline Preferred Premium 14-day Inspection. In-lane buyers may waive the purchase of a 14-day Premium Inspection, but upon doing so, forfeits any opportunity to arbitrate the vehicle for any of the above mentioned Pipeline Preferred specifications after close of business on the day of sale.
- Buyer receives a CarFax vehicle history report for each Pipeline Preferred unit purchased.

PIPELINE PREFERRED FEES

SELLER

Pipeline Preferred Consignment Fee:	\$20.00
Sale Fee:	Standard fees apply
Online Success Fee:	\$30.00

BUYER

Buy Fee:	Standard fees apply Brasher’s standard online buy fees apply
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Online buyers mandatory Pipeline Preferred Premium 14-day Inspection Fee:	\$140.00
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