

- b. **In-Lane:** Any single mechanical or electrical defect that has a repair cost of \$500 or more is subject to arbitration on Green Light vehicles. Single defects less than \$500 are deemed minor and not subject to arbitration. Auction will not arbitrate visible defects or announced conditions.

Appendix I. Arbitration Matrix

NAAA Seller Disclosure Requirements	Disclosure Required		Arbitration Period	
	Green Light	Red Light	Green Light	Red Light
	R/D	As-Is	R/D	As-Is
Mechanical/Electrical problems*	Yes	No	A/C	N/A
Sludged engine	Yes	No	A/C	N/A
Cracked or repaired block	Yes	No	A/C	N/A
Vehicles not equipped with air conditioning (calendar year or newer)	Yes	No	A/C	N/A
Paintwork (3 panels or more) on current model year And newer (bumpers not included)	Yes	No	A/C	N/A
Fuel Conversion	Yes	No	B/C	N/A
Non-original engine (excludes items replaced under manufacturer warranty) Calendar year & up to 4 years old	Yes	No	B/C	N/A
Voided factory warranty	Yes	No	B/C	N/A
Logo or decal misrepresentation	Yes	Yes	A/C	A/C
Bio-Hazard vehicles (both cleaned and contaminated) as required by law	Yes	Yes	A/C	A/C
Frame/Unibody Damage (existing, altered, or repaired) Per NAAA policy	Yes	Yes	B/C	B/C
Flood Damage (By Auction inspection)	Yes	Yes	B/C	B/C
State-issued VIN plates (including kit vehicles)	Yes	Yes	B/C	B/C
Taxis, Livery vehicles, Police cars, Government vehicles that Are Calendar year and up to 4 years old	Yes	Yes	B/C	B/C
Previous Canadian that are calendar year and up to 4 years old (unless state or local law supersede)	Yes	Yes	B/C	B/C
Lemon Law/Manufacturer's Buyback	Yes	Yes	B/C	B/C
Vehicles being sold with no title (Bill of Sale only)	Yes	Yes	B/C	B/C
Not Actual Miles/Inoperative Odometer**	Yes	Yes	B/C	B/C
Salvage or Reconstructed/Theft Recovery/Stolen vehicles (including history)**	Yes	Yes	B/C	B/C
Gray market vehicles**	Yes	Yes	B/C	B/C
Insurance and/or Salvage titles (including history)**	Yes	Yes	B/C	B/C
Vehicles being sold with a CO, MSO, or repo affidavit title (if required by state law)	Yes	Yes	7 days after receipt of title	7 days after receipt of title
Pending state or local DMV fees or taxes over \$100 due on vehicle (if required by state)	Yes	Yes	7 days after receipt of title	7 days after receipt of title
Any state required damage disclosure	Yes	Yes	7 days after receipt of title	7 days after receipt of title
Flood Damage history (discovered by DMV or Insurance company records)	Yes	Yes	120 Days	120 Days
Items subject to arbitration Online ONLY				
Glass damage/Hail damage/Tire Problems*	Yes	No	C	N/A
Upholstery problems/Visible body damage*	Yes	No	C	N/A
Arbitration Period				
A: In-Lane - Sale Day Only				
B: In-Lane - 7 calendar days				
C: Online - 2 calendar days upon verified receipt not to exceed 10 calendar days from purchase				
*In-Lane must announce defects that are singularly \$500 or more to repair				
*On-Line must announce defects that are cumulatively \$500 or more to repair				
**These transactions can be rescinded if arbitrated within the stated time limits. Arbitrations initiated after the stated time period will be addressed via the depreciation formula described in Section VI (Title Arbitration Policy section)				