

# ADESA POST-SALE INSPECTION POLICY

ADESA offers dealers a 7 or 14-day Post-Sale inspection ("PSI") at the dealer's election of service for a fee (see PSI Pricing Schedule). ADESA will stand behind our PSI for the items checked (see PSI Checklist) for the period of service purchased (7 or 14-days). The PSI is not part of ADESA's Arbitration Policy, but a separate service offering to provide added assurance and coverage to the buying dealer in their purchase.

## **Vehicles Qualifications:**

Green Light ("Ride and Drive") vehicles sold with a selling price of under \$50,000, in-lane and on LiveBlock, are eligible for PSI. ADESA will provide an information-only report for vehicles selling for \$50,001 and higher and for AS-IS vehicles to the buying dealer, however ADESA will provide no assurance beyond those given to the dealer under the NAAA National Arbitration Policy or ADESA AS-IS Policy. Likewise, if a vehicle would be considered AS-IS under the ADESA AS-IS Policy, but was designated Green Light ("Ride and Drive") by the seller, an information-only PSI report will be provided to the buyer.

## **PSI Checklist:**

The following items are included as part of the PSI. The checklist applies to defects that are singularly \$500 or more to repair or replace on vehicles sold in-lane and \$500 cumulative (including visible damage) on vehicles sold online in accordance with the NAAA National Arbitration Policy.

- Odometer Verification
- Engine Function and Operation
- Transmission Engages and Functions
- 4X4 System Engagement
- ABS/Brakes Function (if brake light is on)
- Flood Inspection
- Electrical Accessories Checked for Function on the following items if included on the vehicle:
  - Navigation
  - Convertible Top
  - Sunroof
  - Automatic Sliding Doors
  - Power Windows
  - Power Seats/Heated Seats
  - Radio/CD/DVD Player/Entertainment System
  - Any electrical item over \$500
- Emission Control Equipment Present
- Air Conditioning System Compressor Engagement Check



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- Supplemental Restraint System/Air Bags Checked (if SRS/Air Bag light is on)
- Vehicle Structure Visually Checked for Damage (auction is not liable for frame damage that could not be detected through a visual inspection)

## PSI Coverage

- The PSI is not insurance or a guaranteed buy-back policy, but a mechanical inspection performed by a trained service technician to provide greater assurance in the buyer's purchase related to the items on the post sale inspection checklist.
- If an item or part fails during the PSI coverage period (7 days or 14 days), the item will be replaced or repaired at ADESA's option.
- If the auction chooses to reimburse the dealer for items on the checklist (see PSI Checklist) that fail or were not discovered in the PSI and the vehicle is still within the applicable PSI coverage period, the auction will reimburse the dealer for the actual expense of repair or replacement up to a \$1500 maximum.
- The vehicle must have 200 miles or less accumulated on the odometer in order for the dealer to file a dispute to the PSI findings. Vehicles driven over the 200 miles limitation will not be eligible for dispute.

## PSI Terms and Conditions

- The buyer is financially responsible for payment of the PSI fee regardless of whether the vehicle passes or fails inspection.
- The coverage and provisions apply only to the original buyer of the PSI. The service coverage and PSI coverage period are void once the vehicle is resold. The service coverage cannot be transferred to any subsequent wholesale or retail buyer.
- If a vehicle fails PSI and the buyer seeks a price adjustment or chooses to void the sale; the vehicle would be placed into the arbitration process and the NAAA Arbitration Policy and the ADESA Arbitration Policy would govern the arbitration.
- A vehicle that initially passes PSI and is later returned by the buyer under the PSI Coverage will be processed according to the NAAA National Arbitration and the ADESA Arbitration Policy. ADESA will be responsible for discussion of arbitration issues with the seller.
- A vehicle returned for any reason under the PSI Coverage must be in the same or better condition as when purchased. Further, ADESA will not reimburse a dealer for transportation, reconditioning, other work or expenses performed on the vehicle that is returned or lost profit from retail or wholesale transactions.



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- The following are excluded and not covered under the PSI policy:
  - Vehicles sold AS-IS; these vehicles are subject to an information-only PSI report at buyer's option.
  - Vehicles with a sales price of \$2,500 and under, regardless of the selling light on the block; these vehicles are subject to an information-only PSI report if purchased by the buyer.
  - Vehicles with an odometer reading of over 125,000 miles, regardless of the selling light on the block; these vehicles are subject to an information-only PSI report if purchased by the buyer.
  - Vehicles that are 10 years or older from the current calendar year; regardless of the selling light on the block; these vehicles are subject to an information-only PSI report if purchased by the buyer.
  - Vehicles that are sold with a selling price of over \$50,000; regardless of the selling light on the block; these vehicles are subject to an information-only PSI report if purchased by the buyer.
  - Kit Vehicles
  - Hand Built Exotic Vehicles (including but not limited to Aston Martin, Bentley, Bugatti, Dodge Viper, Ferrari, LaForza, Lamborghini, Maserati, Maybach, McLaren, Panoz, H1 Hummer, and Rolls Royce)
  - Trailers
  - Motorcycles
  - Watercraft
  - Recreational Vehicles
  - Antiques (20 years or older)
  - Homemade vehicles
  - Modified Vehicles
  - Heavy Trucks and Equipment
  - Vehicles or conditions specifically excluded in the most current NAAA Arbitration Policy
- ADESA reserves the right to limit the number of times that a dealer can use the PSI program including the right to disallow a dealers participation in the program
- ADESA reserves the right to modify, alter, discontinue or terminate this policy at any time for any reason whatsoever, with or without notice
- If disputes are not otherwise covered by this PSI Policy, the auction will refer to the ADESA Terms and Conditions, the NAAA National Arbitration Policy and ADESA's most current Arbitration Policy for resolution.

Effective Date May 14, 2012

