



# GM Financial Closed Sale Auction Policies and Procedures

## Vehicle type definitions

### **Company Car**

A unit used by GM or its subsidiaries for business, test, or demonstration purposes. This includes Damaged-in-Transit, which are new vehicles that are damaged during transportation, repurchased by GM, repaired and sold through GM Financial Remarketing.

### **Customer Dissatisfaction Buyback Vehicle – (RVDC)**

A unit repurchased by GM or its subsidiaries as a result of a dissatisfied customer.

### **GM employee-owned vehicle**

A unit personally owned by a GM employee. Employee-owned vehicles will be run with GM Company Car vehicles in GM Financial's closed or open sales. They should be identified as GM employee-owned vehicles and listed in the dealer handout with the same information that is provided for GM Company Car units.

### **Rental vehicle**

A unit sold or leased to a rental company and returned to GM for sale.

### **Commercial repurchase vehicle**

A unit in service with a commercial customer and repurchased by GM.

### **Special vehicle**

As designated by GM Financial Remarketing.

### **Fleet consignment vehicle**

A unit in service with a fleet customer and consigned to GM for sale.

### **Dealer-owned vehicle**

A unit owned by a GM dealer and consigned to GM or GM Financial for sale.



## Eligible purchasers

Only GM dealers and their authorized representatives, located in the United States and its possessions, The Commonwealth of Puerto Rico, are eligible to participate in and purchase vehicles from GM Financial Remarketing (physically and electronically) in the United States. GM Dealers located outside the U.S. (Canada, Mexico, etc.) are not eligible to participate in or purchase vehicles at these venues unless approved by GM Financial Remarketing in writing. This policy governing a purchaser's eligibility does not apply when purchasing vehicles from the GM Financial Remarketing's open sales.

Persons other than the Dealer Operator or General Manager must be authorized in writing, as changes occur by the Dealer Operator, General Manager or any responsible officer, to represent the Dealership; this written authorization on dealership letterhead must be on file with the auction or "Auction Access." Note: Buyers/Purchasers cannot authorize themselves to purchase vehicles unless they are an "officer of record" for the dealership they are representing. Authorization should be provided on the purchasing dealership's letterhead and signed by the dealer or an "officer of record" An individual may represent up to six dealerships at a GM Financial Remarketing closed sale. One or more of the dealership(s) represented can be changed during a sale, provided no vehicles were purchased for the dealership(s) that is being eliminated.

Owners of multiple dealerships may represent up to six (one for each franchise) of their dealerships at GM Financial Closed auctions. Vehicles bought by owners at auction in this manner may be sold and shipped to any of the dealerships franchised for that particular vehicle line provided each dealership complies with any applicable holding period requirements. Dealers will only be permitted to purchase current year model vehicles for which they are authorized dealers and any other vehicles specifically designated by GM Financial Remarketing.

All approved guests must have a visible guest tag when in the sale lanes.



## Crossline purchase

Crossline buying information will be communicated to the GM dealer body by both GM and GM Financial Remarketing.

## Manufacturer's Suggested Retail Price (MSRP)

The price on the dealer handout is MSRP, including destination.

## Resale Requirements for Company Car, Customer Dissatisfaction Buyback, and GM FrontLine Ready vehicles

GM dealer agrees to use these vehicles to enhance its selling and leasing efforts in its area of primary responsibility and to sell or lease the vehicles to retail customers from the dealership's GM approved dealership location as defined in its dealer sales and service agreement. Failure to comply with the requirements of GM Financial Remarketing, in its sole discretion, might result in the suspension of the dealer's/buyer's privilege to participate in GM Financial Remarketing's closed sales. Holding period for Company Car, Customer Dissatisfaction Buyback, Damaged in Transit, and GM FrontLine Ready vehicles purchased from GM Financial Remarketing auction sales (physical closed sales or electronic auctions). Specific types of vehicles, Company Car, GM FrontLine Ready and Customer Dissatisfaction Buyback vehicles, purchased from these venues have a mandatory "holding period." Dealers who violate these policies and procedures are subject to having their purchasing privileges suspended.

Only Company Cars sold in GM Financial Remarketing closed sales, Damaged-in-Transit, and GM FrontLine Ready vehicles are subject to the 45-day holding period requirement (these vehicles cannot be wholesaled within 45 days from the date of purchase). Customer Dissatisfaction Buyback vehicles can never be sold in the Open Sale – they must be tailgated in the GM Financial closed sale. Unless otherwise specified by GM Financial Remarketing, other vehicle types do not have a holding period requirement. In the event a dealer has been unable to retail the vehicles specified above within the 45 -ay holding period, the dealer may offer the vehicle(s) for sale at a GM Financial Remarketing auction. Customer Dissatisfaction Buyback vehicles that the dealer is unable to retail can only be offered at a GM Financial Remarketing closed auction, regardless of the length of time since the original purchase.



## Suspected dealer violations

To report suspected violations of the GM Financial Remarketing Closed sale policies and procedures associated with “holding periods,” the process outlined below should be followed:

- Forward an email detailing your concern/complaint to GM Financial Remarketing; **AuctionOperationsSup@gmfinancial.com**.
- Provide a list of vehicle identification numbers (VINs) associated with the issue (attach to your email). Please note that we will be unable to determine the validity of the complaint unless VINs are provided.
- If your concern involves vehicles being wholesaled prior to the expiration of the 45 day holding period, it is important to note that only Company Car, including Damaged-in-Transit, GM FrontLine Ready and Customer Dissatisfaction Buyback vehicles have a required minimum 45-day holding requirement.
- Your concern will be investigated and a response will be supplied with our findings.

The “dealer suspension period” for violating the required holding period requirements are noted below:

- **First violation** – Warning letter, plus a 12 month probationary period
- **Second violation** – 90-day “Suspension of GM Financial auction privileges” if a second violation occurs during the 12 month probationary period
- **Third violation** – 180-day “Suspension of GM Financial auction privileges” if a third violation occurs within 12 months after the second violation’s suspension of auction privileges.

For additional information, please contact **AuctionOperationsSup@gmfinancial.com**.

## Dealer audits

By participating in a GM Financial Remarketing closed sale, dealers authorize GM Financial Remarketing and its representatives to examine, reproduce and take copies of dealer records related to the purchase of vehicles at GM Financial Remarketing closed sales, and the sale or lease of such vehicles. Such examinations will only be conducted during regular business hours and upon written notice to dealer. Failure of dealer to comply with such a request will result in the suspension of dealer’s privilege to participate in GM Financial Remarketing closed sales.



## Disclaimer or warranty and purchaser's inspection and responsibility

All vehicles are sold "as is"; except for any unexpired warranty coverage under a GM new car limited warranty. All warranty claims are to be handled in the normal manner through the nameplate vehicle division.

It is the buyer's responsibility to visually inspect each vehicle prior to purchase. Missing equipment and accessories, paint and metal problems or visible damage will not be arbitrated after a vehicle is purchased. Damaged windshields are not eligible for arbitration. Post sale price adjustments will not be made.

A thorough inspection for hidden damage is required immediately upon receipt of any vehicle at the dealership location. GM Financial Remarketing is not responsible for any major non-visible damage in the engine, transmission, rear axle, structure or frame, or unreported major collision damage requiring underbody inspection, unless reported to the selling auction location in writing within seven days of sale. Only vehicles with undisclosed hidden damage that compromises the integrity of the vehicle are eligible for repurchase from dealers. Minor damage not repaired on the following components will not be arbitrated:

- Floor panel/trunk floor
- Center section sub rails
- Outer rocker panels/pinch welds
- Strut towers
- Frame rails/rail extensions
- Sub frame assemblies and tie down holes.

Cosmetic repairs of 1.5 hours or less on the following components will not be grounds for arbitration:

- Frame rails/rail extensions
- Apron/upper reinforcement
- Cowl panel
- Center section sub-rails
- Hinge/windshield "A" pillar and center/"B" pillar.

Minor repaired or unrepaired damage or replacement of the following components is acceptable:

- Upper/lower tie bar
- Center support
- Left/right side baffles
- Frame rail extensions
- Engine sub frames
- Outer rocker panel
- Rear body panel
- Quarter panel (proper sectioning is acceptable)
- Roof (no repair to the roof rails)



If GM Financial Remarketing agrees to repurchase a vehicle, the dealer will be reimbursed only for the purchase price, buyer's fee, and reasonable transportation costs. Post sale price adjustments will not be made.

Additional documentation may be required to verify the purchase or condition of any vehicle in question. Any costs associated on work performed by the purchasing dealer prior to any authorized repair approval from GM Financial Remarketing are not subject to remuneration by GM Financial Remarketing.

## Payment for vehicles

A dealer must pay for purchased vehicles at the conclusion of the sale. Vehicles can be paid for with a dealer check, dealer's financial institution check, by wire transfer of funds from an account maintained in the name of the GM dealership or from its financing institution or by bank draft or automatic clearing house (ACH) debit or credit.

## Customer and dealer incentives

Unless otherwise announced, vehicles purchased at GM Financial Remarketing sales are not eligible for any customer or dealer incentives.

## State law requirements

State laws may impose disclosure requirements and other restrictions on dealers in connection with the resale of vehicles purchased at GM Financial auctions. The dealer is responsible for complying with all such state law requirements, including without limitation, those concerning licensing, title, disclosures and notices to retail purchasers or state agencies.

## Emissions regulations

Purchasers of vehicles offered in the GM Financial Remarketing auction sale lanes bear the ultimate legal responsibility for making certain that the vehicles they purchase can be legally re-sold and/or registered based on the vehicle's emission certification and the location of resale and/or registration. It is the dealer's responsibility to ensure emissions complies with applicable local, state and federal laws and regulations prior to purchasing a vehicle. Some of these regulations carry civil penalties for non-compliance.



## Manufacturer's Certificate or Statement of Origin (MCO or MSO)

Unless otherwise announced, vehicles sold on MCO or MSO will only be sold to a GM dealer holding the franchise, regardless of model year or mileage. Unless otherwise announced, vehicles with MCO or MSO are not eligible for customer or dealer incentives. Past model vehicles on MCO/MSO must be titled to permit crossline sales.

## Customer Dissatisfaction Buybacks – (RVDC)

A 12 month/12,000 mile Limited Warranty, or the remainder of the original manufacturer's warranty, whichever is greater, will be applied to enhance the customer satisfaction on vehicles repurchased by GM. Contact the appropriate Regional GM office for details.

## Open Service Campaigns/Recalls

GM vehicles purchased through GM Financial Remarketing auctions (physical and internet auctions) have had all open recalls/campaigns related to safety, noncompliance, and emission completed prior to being offered for sale. Consistent with the requirements in the GM Dealer Sales and Service Agreements it is the responsibility of the purchasing GM dealer to verify the "open campaign" status of each vehicle purchased at GM Financial Remarketing auctions (at either a physical auction or through the Internet) via GM Global Warranty Management/Investigate Vehicle History (IVH). All vehicles with "open campaigns" are to be completed by the purchasing dealer prior to selling to a subsequent buyer.

## Dealer Handout

An error or omission in a Dealer Handout or other material provided to dealer does not constitute grounds for rejecting the vehicle after the sale.

## Sale schedule

GM Financial Remarketing reserves the right to cancel a sale (even on the day of the sale), to delay the start of a sale, to reduce the quantity of vehicles offered at a sale and to reject any bid.

Auction sale schedules are available online at [auctions.gmfinancial.com](http://auctions.gmfinancial.com) and at GM Financial Remarketing auction locations nationwide.