



CAROFFER, LLC

TERMS AND CONDITIONS OF SERVICES

Updated as of September 3rd, 2024

These Terms and Conditions of Services ("**Terms**") constitute a binding legal agreement between your dealership or other company and your representatives (collectively referred to as "**you**", "**your**" or "**Dealer**") and CarOffer, LLC (referred to as "**we**", "**us**", "**our**" or "**CarOffer**") governing all of your business at and with CarOffer and are implied terms and conditions of every agreement that you enter into with CarOffer (including your Enrollment Agreement) and with every bidder, buyer and seller of vehicles using CarOffer's online auction services. You or Dealer can mean the party selling a motor vehicle (a "**Seller**") or the party buying a motor vehicle (a "**Buyer**").

These Terms and any amendments to them will be effective as of the date they are posted on the CarOffer website at <https://www.caroffer.com/legal>.

By accessing or using the CarOffer Platform, you agree to abide by the then current Terms (including terms, conditions or provisions referenced herein and available by hyperlink to other web pages) and the CarOffer Privacy Policy, which is located at <https://www.caroffer.com/privacy>.

Capitalized terms used in these Terms have the meaning assigned to them herein. See [Section 50](#) for an index of defined terms.

GENERAL

1. **Purpose.** CarOffer provides a real-time live bidding online auction service and related mobile and desktop applications and services (collectively, the "**CarOffer Platform**") for licensed motor vehicle remarketers to list, sell, bid on and buy used motor vehicles (each a "**Vehicle**" and collectively "**Vehicles**"). These Terms are for the benefit of CarOffer and, as third-party beneficiaries, CarOffer's affiliates and any subsidiaries and its service partners, including, without limitation, CarGurus, Inc., Alliance Auto Auction of Dallas, Dealer Specialties, Upstream, WeGoLook, OneGuard, Wrench (Lemon Squad), Acertus, Runbuggy, and Preowned Auto Logistics (collectively, the "**CarOffer Service Partners**"). By participating in an auction or accessing or using the CarOffer Platform, you agree to be bound by these Terms as may be amended and/or relocated on the applicable CarOffer website from time to time. Breach of these Terms may result in the assessment of penalties and/or the temporary or permanent suspension of your access to the CarOffer Platform.

DEALER

2. **Dealer Eligibility.** Our auction services as part of the CarOffer Platform are intended for professional Vehicle remarketers only. Only authorized representatives of licensed dealerships are eligible to participate. You represent and warrant that you are a licensed retail or wholesale dealer of Vehicles and/or a business that is otherwise legally eligible to purchase or sell Vehicles at wholesale auto auctions. A state-issued dealer's license and federal tax identification are among the documents a Dealer will need to present to become active on the CarOffer Platform. You agree that these Terms shall apply to all transactions conducted by you and your Authorized Users on the CarOffer Platform. CarOffer may in its sole discretion elect to enter into direct agreements with certain Dealers. CarOffer reserves the right to refuse access to the CarOffer Platform or any service or feature provided by CarOffer to anyone who breaches these Terms or other applicable agreement(s) or otherwise interferes with or violates CarOffer's rights or the rights of others.
3. **Registration.** To be eligible to access or use the CarOffer Platform, a Dealer must have executed and delivered to CarOffer from time to time an "**Enrollment Agreement**" in the form specified by CarOffer, and the Dealer and any of its designated authorized users ("**Authorized Users**") must complete CarOffer's online registration process. Upon receipt and approval of your registration, you and your Authorized Users will be issued unique usernames and passwords to access and use the CarOffer Platform. You are liable and responsible for all actions, omissions,

and any failure to act of your Authorized Users in connection with your Authorized User's access to and use of the CarOffer Platform. You agree not to give anyone access to the CarOffer Platform other than your Authorized Users. We reserve the right to suspend your access rights temporarily or permanently and/or the access rights of any of your Authorized Users at any time. You represent and warrant that all information that you provide to CarOffer is accurate and complete and that you will notify us in writing of any changes to the information provided. You hereby authorize CarOffer to share the information you provide to us with CarOffer affiliates and Service Partners solely to the extent such information is needed in order to use the CarOffer Platform or any other party in connection with an assignment made pursuant to [Section 49\(d\)](#). You will also need to register with Auction ACCESS® (or already be registered) prior to using CarOffer's auction services.

4. **Access Security.** Sharing or lending of usernames or passwords is strictly prohibited. You are responsible for maintaining the confidentiality and security of the usernames and passwords issued to you and your Authorized Users. You will be liable and responsible for all actions, omissions, failures to act, or transactions conducted with the username and password issued to you or any of your Authorized Users. You will immediately notify us in writing of any unauthorized use of a username or password.
5. **Payment Information.** You agree to provide CarOffer with, maintain with CarOffer, and permit CarOffer and its authorized agents and affiliates to retain records of, valid, updated payment information (i.e., credit card or ACH information) for the purpose of charging any Fees not otherwise paid in connection with a completed sale or sales of Vehicles. CarOffer will store the credentials of your credit card identified for future use. By providing these credentials to CarOffer, you consent to the storage and the use by CarOffer of these credentials for any payment obligations that you owe to CarOffer under an agreement between you and CarOffer. CarOffer will notify you if there are any changes to its storage and future use of your credit card credentials. These Terms and your consent remain in effect until all payment obligations under any agreement between you and CarOffer are satisfied in full.
6. **Permitted Use.** You agree that you will use the CarOffer Platform solely for your internal business purposes and will not: (a) license, sublicense, sell, resell, rent, lease, transfer, assign (except as permitted by [Section 49\(d\)](#)), distribute, time share or otherwise commercially exploit or make the CarOffer Platform available to any third party, other than to your Authorized Users; (b) send spam or otherwise duplicative or unsolicited messages in violation of applicable laws; (c) send or store infringing, obscene, threatening, libelous or otherwise unlawful or tortious material, including material that violates third-party privacy rights; (d) send or store malicious code or viruses; or (e) interfere with or disrupt the integrity or performance of the CarOffer Platform or the Data contained therein.
7. **Compliance.** You represent and warrant to CarOffer that: (a) you and your Authorized Users are in compliance with and shall comply with all laws and regulations that apply to your business; and (b) you and your Authorized Users have secured and will maintain all permits, licenses and governmental approvals required to operate your business, including as required to access and use the CarOffer Platform.
8. **Dealer's Responsibility.** It is your responsibility to acquire, provide and maintain at your own expense all other hardware, equipment, connections, software licenses, facilities, services, and other supplies necessary for you to access and use the CarOffer Platform. In addition, Dealer shall communicate and cooperate with CarOffer, execute and deliver such additional documents, instruments, conveyances and assurances, and take such further actions as may be reasonably required by CarOffer to carry out the provisions hereof, to give effect to the transactions contemplated by these Terms, and to mitigate CarOffer's costs and losses with respect thereto. Without limitation, Dealer shall respond promptly to CarOffer requests for information and make personnel and Vehicles available as and when reasonably requested (including in the event of cancelled transactions).

INTELLECTUAL PROPERTY; DATA

9. **Ownership.** You acknowledge and agree that the CarOffer Platform, related services, Data and Web Information, including all copyright and rights to patent, industrial design, trademark and trade dress protection, trade secrets and all other intellectual property rights (collectively, the "**CarOffer IP**") are owned by CarOffer or its licensors and are protected by United States and international intellectual property laws and treaties. Subject to the limited rights of access and use expressly granted hereunder, CarOffer reserves all rights, title, and interest in and to the CarOffer IP. No rights are granted to you other than the limited rights expressly set forth in these Terms. You acknowledge and agree that you do not own, and shall not acquire, any right, title, or interest in the CarOffer IP

and that, if necessary, you agree to perform any acts that may be reasonably necessary to transfer or confirm ownership of any right, title, and interest in or to the CarOffer IP. You further agree that you will not (a) modify, copy, or create derivative works based on the CarOffer IP; (b) frame or mirror any content forming part of the CarOffer IP; (c) reverse engineer or decompile the CarOffer IP; (d) access the CarOffer IP in order to (i) build a competitive product or service or (ii) copy any ideas, features, functions, or graphics of the CarOffer IP; (e) permit or authorize any third party to do any of the above at your direction or on your behalf; (f) attempt to gain unauthorized access to the CarOffer Platform; or (g) reverse engineer, decompile, disassemble, sniff or otherwise derive the source code, object code or any other intellectual property constituting or relating to the CarOffer IP.

10. **Data.**

- (a) **Generally.** You agree that all information and records, whether oral, written, visual, electronic, digital, or tangible transmitted, received or stored on the CarOffer Platform or using the systems, equipment, computers, servers, or premises of CarOffer or CarOffer affiliate or any CarOffer Service Partner (collectively “Data”) is the property of CarOffer or CarOffer Service Partners. You agree that we have the right to receive, use, disseminate, control access to, aggregate, modify, package, derive benefit from, remove, destroy Data in whole or in part. Notwithstanding the foregoing, Data that contains personally identifiable information will only be used and disclosed in accordance with CarOffer’s Privacy Policy. CarOffer hereby grants a limited, non-transferrable, non-sublicensable, royalty-free, fully paid-up, worldwide license to you to the Data submitted by you solely for your use in connection with the CarOffer Platform or in your ordinary course of business (e.g., record keeping, etc.). The foregoing notwithstanding, if you approve and send to CarOffer dealer management system Data (“DMS Data”) intended to be used on the CarOffer Platform, we will not distribute such DMS Data through third-party channels without your approval.
- (b) **Market Insights.** CarOffer may make available data regarding vehicle market prices and/or other market conditions (“Market Insights Data”) via the CarOffer Platform. The Market Insights Data are services provided hereunder and constitute CarOffer IP. You may only access and use the Market Insights Data or any element thereof for the purposes specified by CarOffer, if any. The Market Insights Data provides proprietary analysis of vehicle pricing and/or other market conditions, but CarOffer does not represent or guarantee any particular outcome from use of the Market Insights Data. Dealer is solely responsible for any use of the Market Insights Data, including any decisions made based on it, and CarOffer disclaims all liability in connection therewith. CarOffer may modify or cease providing the Market Insights Data services at any time.

11. **Dealer Content.** In addition to the rights set forth in [Section 10](#), CarOffer has the right to use certain Dealer-generated information, content, photographs and Vehicle data for the limited use of promoting and carrying out the CarOffer Platform. You grant CarOffer a limited, royalty free, irrevocable, and worldwide license to utilize non-confidential information for the general purpose of promoting and providing Services to our Dealers for so long as such Dealer information is held by CarOffer, and this license extends to trusted third parties. CarOffer agrees that (a) any Data provided by the Dealer will not be used outside of the CarOffer Platform without the written approval of the Dealer; and (b) if you approve and send to CarOffer DMS Data intended to be used on the CarOffer Platform, we will not distribute such DMS Data through third-party channels without first notifying you.

12. **No Interference.** All Data submitted by you through the CarOffer Platform will be free from malicious software, including viruses, worms, Trojans, software that bypasses normal authentication mechanisms or exploits or attacks software security or any software or data designed to disable, modify, or damage the CarOffer Platform. You will not use any device, software, or routine to interfere or attempt to interfere with the proper working of the CarOffer Platform. You will not take any action that imposes an unreasonably or disproportionately large load on CarOffer’s information technology infrastructure.

SALES AND PURCHASES

13. **CarOffer’s Role.** CarOffer is a provider of online auction services to facilitate sales and purchases of Vehicles between Sellers and Buyers, whose identities are known only to CarOffer. CarOffer only takes title to Vehicles purchased through CarOffer’s Buy Center Program ([Section 14](#)), CarOffer’s Consumer to Dealer Program ([Section 15](#)), or in certain circumstances to resolve an arbitration claim. Where CarOffer is the party selling the Vehicle to the Buyer, the terms herein applicable to Sellers shall apply to CarOffer at CarOffer’s election. Each Buyer bidding on a Vehicle is making a bidding offer to purchase the Vehicle. As a sophisticated commercial party, you as a prospective Buyer should research the value of any Vehicle and the terms of sale before bidding. Buyer should not solely rely on any information provided by CarOffer or its affiliates. Buyer should research the third-party

condition report provided by CarOffer post bid acceptance and notify CarOffer through CarOffer's arbitration process if there are any discrepancies to Seller's representation. Each Seller accepting a bid for a Vehicle is accepting a bidding offer to sell the Vehicle, creating a sale contract between Buyer and Seller. Each Seller warrants each Vehicle's condition has been described accurately, including mileage, options, aftermarket parts, and physical condition. CarOffer is only an intermediary and not a party to any Dealer-to-Dealer Vehicle sale contract, but is a third-party beneficiary of the contract, entitled to the parties' performance and to seek legal remedies for any party's breach. You agree that any disputes between Buyers and Sellers will be resolved in accordance with the standard CarOffer arbitration provisions (see [Sections 29-37](#)).

14. **CarOffer's Buy Center Program.** CarOffer staffs a centralized buy team of professional buyers and utilizes third-party auction feeds from around the U.S. to help subsidize dealer orders on the CarOffer Buyer Matrix ("**CarOffer Buyer Matrix**"). Through its Auto Management Group operations, CarOffer will acquire these vehicles from auctions and sell them to Dealers at CarOffer Buyer Matrix order limit prices. CarOffer guarantees the condition of these vehicles and may or may not make a profit. All Dealers are automatically opted into this program upon enrollment and may opt out at any time.
 15. **CarOffer's Consumer to Dealer Program.** CarOffer's Consumer to Dealer Program leverages either the Sell My Car feature on the CarGurus, Inc. ("**CarGurus**") website or CarOffer's consumer to dealer marketplace. The marketplace allows third-party integration partners to display buy bids from the CarOffer Buyer Matrix to consumers on those third-party platforms. For Consumer to Dealer Program Vehicle purchases, CarOffer will purchase the Vehicle from the consumer, including paying off any lien amount and obtain the title. CarOffer will arrange for the Vehicle to be picked up from the consumer and transported to a local Dealer as selected by CarOffer in its sole discretion (a "**Landed Dealer**"). All Dealers on the CarOffer Platform are automatically opted in as a Landed Dealer and may opt out at any time by contacting their CarOffer representative. Vehicles will be assigned to Landed Dealers based on criteria determine by CarOffer, which will include the proximity to the pickup location and the Dealer's buying profile on the CarOffer Platform. The Landed Dealer will promptly coordinate receipt of the Vehicle and will have the ability to purchase the Vehicle or pass on it for a period of two Business Days (the "**LD Evaluation Period**") following delivery of the vehicle. If the Landed Dealer does not notify CarOffer during the LD Evaluation Period by accepting or rejecting the Vehicle through the CarOffer Platform of its agreement to purchase the applicable Vehicle, then the Landed Dealer shall be deemed to have passed on such Vehicle. Upon Landed Dealer's confirmation that it wishes to purchase a Vehicle delivered in connection with the Consumer to Dealer Program, Landed Dealer becomes a "Buyer" under these Terms and risk of loss for the applicable Vehicle is transferred to Landed Dealer. If the Landed Dealer passes on the Vehicle, CarOffer will initiate transport to pick up the Vehicle and deliver it to another Buyer on the CarOffer Platform, and the Landed Dealer agrees to promptly coordinate such pickup with CarOffer and provide such information as CarOffer may reasonably request. A Landed Dealer that passes on a Vehicle shall notify CarOffer of any condition or other previously undisclosed issues with the applicable Vehicle. The Landed Dealer may be charged a fee for failure to timely coordinate delivery and/or pickup of a Vehicle. All Vehicles purchased by the Dealer through the Consumer to Dealer Program will be subject to the standard CarOffer arbitration provisions (see [Sections 29-37](#)). Vehicle purchases made directly by a Dealer using CarOffer's ConsumerLane dealer website widget are not part of the Consumer to Dealer Program.
 16. **PremiumXchange (PX).** CarOffer's national vehicle exchange platform where vehicles may be exchanged 1:1 between dealers. Price thresholds will be set by (a "**Proposer**") and (an "**Approver**") will receive exchange proposals on inventory units automatically. Proposers predefine a price pegged to one of the following indexes; Auction, JD Power, BlackBook, Kelly Blue Book or CarGurus' IMV. This price threshold establishes what the Proposer is willing to sell the vehicle for, and what they are willing to pay for the car they are buying. Proposers also select the vehicles they are willing to buy in return at the threshold price.
 1. Once an Approver accepts a proposed exchange, the transaction is binding subject to condition review. Normal transaction, inspection and transportation fees will be charged to buyers and sellers involved in the exchange.
 2. If either party cancels an exchange after it has been approved, the party will be charged a \$500 cancellation fee; as well as any and all transportation and inspection expenses associated with the exchange. If the cancelling party's purchase vehicle in the exchange, is in transit or has been delivered, the purchase must be honored.
- (a) PX is for "Front-line" or "Retail Ready" vehicles ONLY. Fresh trades or vehicles needing reconditioning will not pass inspection and transactions will be terminated.

- (b) If a vehicle does not pass inspection, seller will be invoiced for both inspection fees involved in the exchange in addition to a \$500 cancellation fee.
 - (c) Dealers may not print a Bill of Sale until BOTH vehicles involved in the exchange have passed inspection.
 - (d) If a vehicle is arbitrated for mechanical, structural damage or sub-par conditioning, once it arrives at the buying dealer, the seller of the vehicle will be responsible for transportation and inspection fees for both vehicles. If a compromise cannot be reached with buyer and seller, the transaction will be terminated, and vehicles returned at the expense of the original owner of the arbitrated vehicle. An additional cancellation fee of \$500 will be charged to the seller of the arbitrated vehicle.
 - (e) Arbitration requests for a PX vehicle must be submitted within two Business Days from the date of vehicle delivery. PX vehicles are not eligible for Extended Arbitration.
 - (f) Payment for both vehicles will be sent once valid titles are received and both vehicles have been delivered to buyers and pass the two Business Day arbitration period.
 - (g) If a seller retails or liquidates a vehicle involved in a PX transaction, so the vehicle cannot be picked up, the seller will be responsible for all expenses and fees incurred to terminate the transaction. This includes all transportation and inspection fees of the other vehicle involved in the transaction, as well as a \$500 cancellation fee.
17. **With A Look.** Buyers on the 24-hour approval program have the option to approve or decline a pending purchase for up to 24 hours after the offer was accepted by the Seller. During the 24-hour period, the Buyer may choose to approve or decline the purchase with or without an inspection. If the Buyer fails to approve the purchase within 24 hours, the Vehicle is automatically approved, pending the normal CarOffer inspection process. Buyers who forego an inspection are purchasing the Vehicle As-Is and are not subject to CarOffer's standard arbitration provisions. Buyers may still arbitrate for late titles.
18. **Buy It Now.** CarOffer's Buy It Now feature allows Dealers as determined by CarOffer to preview and purchase select inventory. Dealers can review a condition report and announcements prior to making a purchasing decision. All Vehicles purchased by the Dealer through Buy It Now will be subject to the standard CarOffer arbitration provisions (see [Sections 29-37](#)) with exception of Vehicles sold As Is. Vehicles labeled 'As Is' are not covered by CarOffer's standard arbitration provisions. Dealers may arbitrate for a late title (see [Section 35](#)).
19. **CarOffer Tools and Process.** Please see additional documentation that may be made available by CarOffer from time to time for detailed information regarding the CarOffer tools made available to Dealer and the listing, bidding, sale, and purchase process.
- (a) **General.** Each Dealer may enroll for use of the CarOffer Platform. A Dealer's enrollment in the CarOffer Platform will be indicated on its respective Enrollment Agreement.
 - (b) **Dealers as Sellers.**
 - (i) Seller may, at any time, place a Vehicle for sale through the CarOffer Platform.
 - (ii) On a real-time basis at point of appraisal once the TradeGrade process is completed, CarOffer will provide an offer to purchase fresh trades (a "**Backstop Bid**") for each Vehicle placed for sale through the CarOffer Platform provided it has a matched Buyer bid. A Backstop Bid does not require that a Vehicle be sold through the CarOffer Platform, however execution of a Backstop Bid by Dealer initiates the immediate sale of the Vehicle (i.e., inspection, title, and transportation process).
 - (iii) CarOffer may provide a 45-day Guaranteed Bid, on a real-time basis and at the point of appraisal or any time the Vehicle is in Dealer's inventory, which represents a guaranteed purchase price from CarOffer for the Vehicle 45 days after the guaranteed bid (the "**Guaranteed Bid**") has been accepted by Seller. CarOffer may revise the bid at any time prior to its acceptance. The Seller must exercise the Guaranteed Bid during this 45-day period, and the Vehicle's mileage at the time of exercise must be within 100 miles of the mileage when the Guaranteed Bid was provided. Execution of a Guaranteed Bid by Dealer initiates the immediate sale of the Vehicle (i.e., inspection, title, and transportation process).
 - (iv) The CarOffer Platform provides email marketing to Dealer's service drive and prior retail customers with

estimated positive Vehicle equity with an appeal for a cash offer on behalf of the Dealer for the Vehicle. Upon completion of a Vehicle condition report, the CarOffer Platform will automatically make a cash offer for the Vehicle on behalf of the Dealer. If the customer accepts the offer, the Dealer may arrange for the sale of the Vehicle through the CarOffer Platform, accept a 45-day Guaranteed Bid, or keep the Vehicle in inventory (*transaction and subscription fees may apply*).

- (v) Dealer may place CarOffer's ConsumerLane "buy from consumer" widget on its website. Upon completion of a Vehicle Condition Report, CarOffer will automatically make a cash offer for the Vehicle on behalf of the Dealer. If the customer accepts the offer, the Dealer may arrange for the sale of the Vehicle through the CarOffer Platform, accept a 45-day Guaranteed Bid, or keep the Vehicle in inventory (*transaction and subscription fees may apply*). For avoidance of doubt, Dealer is solely responsible and liable for (A) any offer made to consumer via or in connection with such widget, any consumer interaction in connection therewith, and any vehicle sale transaction resulting therefrom, and (B) providing all necessary notices and obtaining all necessary consents in order for a consumer to submit their information via the widget to obtain an offer from Dealer.
- (c) For Dealers as Buyers, the CarOffer Buyer Matrix provides a streamlined automated bidding process based on detailed filters and variables selected by Dealer (including, e.g., make, model, color, options, cost, age, condition, geographic location, and transportation cost) on a real-time basis for Vehicles listed on or available through the CarOffer Platform. All bidding on the CarOffer Platform is automated through the CarOffer Buyer Matrix. The Dealer may at any time, prior to acceptance by a Seller, suspend or terminate any automated bids on the CarOffer Buyer Matrix.

20. **Dealer Obligations Generally.** Each Dealer selling Vehicles on the CarOffer Platform hereby grants CarOffer an irrevocable license to receive Dealer's data from certified 3rd party data providers. Dealer must authorize all data feeds sent to CarOffer for use on the CarOffer Platform. Dealer acknowledges that the limited, irrevocable license granted pursuant to this [Section 19](#) is a fundamental part of the CarOffer Platform and is a material part of these Terms.

21. **Basic Seller Obligations.** For the benefit of CarOffer, Seller represents, warrants, and agrees to each of the following terms and conditions in connection with any Vehicle sale through the CarOffer Platform:

- (a) Seller is a licensed dealer of motor vehicles.
- (b) Any amounts owed by Seller to CarOffer, any CarOffer Service Partner or their respective affiliates will be deducted from the sale proceeds due Seller. CarOffer may effect (directly or through a CarOffer Service Partner) a stop payment or refuse to authorize payment to Seller pursuant to a right of offset with respect to any such amounts owed.
- (c) Seller is the true and lawful owner of the Vehicle. Seller is required to accurately describe the condition of the Vehicle when manually launching the Vehicle on the CarOffer Platform through TradeGrade.
- (d) Seller shall make each Vehicle listed on the CarOffer Platform available for inspection as further described in these Terms.
- (e) Seller is responsible to ensure the Vehicle Condition Report is a true, correct, and complete description of the Vehicle.
- (f) Seller has full power and authority to sell and transfer the Vehicle title to Buyer.
- (g) Seller shall produce the Vehicle title as follows:
 - (i) if the Vehicle is sold as Title with Deal ("**TWD**"), the Vehicle title must be produced within 5 Business Days.
 - (ii) if the Vehicle is sold as Title Attached ("**TA**"), the title must be produced within 35 Calendar Days: and
 - (iii) if a title cannot be produced within the allowed timeframe for the sale (TWD or TA), Buyer has a right to cancel the sale with a 2 business day notice, in which event Seller is responsible for all transportation costs to return the Vehicle to Seller, cancellation fee, inspection fee, and all Seller fees owed to CarOffer in connection with the cancelled sale.

- (iv) Seller will provide Vehicle title, free and clear from all liens and encumbrances, to CarOffer or its CarOffer Service Partner for all accepted bids within 35 Calendar Days of such acceptance.
- (h) Seller is responsible for any fees and expenses incurred in connection with obtaining valid title to the Vehicle, including CarOffer transaction fees.
- (i) Seller is responsible for completion and execution of the required odometer mileage statement pertaining to the Vehicle and on the certificate of title and compliance with any applicable state law requirements in connection with the wholesale sale of a motor vehicle.
- (j) Risk of loss for a Vehicle remains with the Seller as long as the Vehicle is at Seller's premises. Risk of loss for the Vehicle is transferred to Buyer when it is picked up from Seller by the transportation service provider arranged by CarOffer or a CarOffer Service Partner or by Buyer.
- (k) Unless otherwise agreed, Seller will hold and make available the sold Vehicle for transportation after a Vehicle is marked "SOLD" and bill of sale is made available (and the Vehicle condition is verified by a third-party inspection company that is a CarOffer Service Partner) on the CarOffer Platform.
- (l) If Seller cancels or abandons a sale transaction after a Buyer's bid is accepted, Seller will be assessed a transaction cancellation fee by CarOffer.
- (m) If Seller accepts a Buyer's bid and fails to make Vehicle available for inspection by a CarOffer Service Partner, Seller will be assessed an Inspection Dry Run Fee.
- (n) If Seller fails to make the vehicle available for transportation after the Vehicle passed inspection, Seller will be assessed a transaction cancellation fee by CarOffer. We reserve the right to limit the number of Vehicles posted by a Seller as determined in CarOffer's sole discretion.

22. **Basic Buyer Obligations.** For the benefit of CarOffer, Buyer represents, warrants, and agrees to each of the following terms and conditions in connection with any Vehicle purchase through the CarOffer Platform:

- (a) Buyer is a licensed dealer of motor vehicles.
- (b) Buyer is solvent.
- (c) Buyer agrees to purchase the Vehicle for Buyer's bid price, which can be accepted by the Seller at any time as long as the bid is active. Upon acceptance, the Vehicle is marked "SOLD" on the CarOffer Platform and the accepted bid price is the "**Purchase Price**".
- (d) For accepted bids, the Total Payment Amount shall be automatically processed promptly to the applicable CarOffer's Service Partner upon notification of the inbound Vehicle, in accordance with the default method previously selected by Buyer.
- (e) No stop payment of Buyer's Total Payment Amount shall be authorized, made, or honored. Any stop payment order shall be deemed by the parties to be evidence of fraud existing at the time the transaction was completed (i.e., upon Seller's acceptance of Buyer's bid price) and shall be construed by the parties as an intent to defraud to complete the transaction.
- (f) If Buyer fails to remit the Total Payment Amount within two Business Days of the inbound Vehicle notification, Buyer will be assessed a late payment fee by CarOffer and Buyer is subject to suspension of Buyer's access to and use of the CarOffer Platform at the discretion of CarOffer.
- (g) If Buyer cancels or abandons a purchase transaction after a Buyer's bid is accepted, Buyer will be assessed a transaction cancellation fee by CarOffer.
- (h) Title to the Vehicle does not pass to Buyer until immediately available funds for the Total Payment Amount have been received by CarOffer or the applicable CarOffer Service Partner.
- (i) CarOffer, or its applicable CarOffer Service Partner, may deposit or use the Total Payment Amount immediately upon receipt. After receipt of the Total Payment Amount, CarOffer or a CarOffer Service Partner will promptly send, by overnight mail using Buyer's preferred overnight carrier and account number, negotiable title to the Vehicle.

- (j) Any rejections of title must be made within three Business Days of Buyer's receipt of title.
 - (k) Buyer will utilize the transportation service provider arranged through CarOffer or a CarOffer Service Partner unless otherwise approved by CarOffer and subject to [Section 24](#). The Vehicle will be picked up for transport within a commercially reasonable amount of time after it is marked "SOLD" on the CarOffer Platform. If a Buyer is directly responsible for transport, failure to do so in the required time may result in loss of arbitration rights.
 - (l) Risk of loss for the Vehicle is transferred to Buyer when it is picked up from Seller by the transportation service provider arranged by CarOffer or a CarOffer Service Partner or by Buyer.
 - (m) The Vehicle is purchased solely for resale in the form of tangible personal property in the regular course of business and is the sort usually purchased by Buyer for resale.
 - (n) If Buyer is planning to export a Vehicle, it is responsible for ensuring that the Vehicle satisfies all export requirements and all import requirements of the destination country.
 - (o) If the Vehicle is used for any purpose other than for resale, Buyer shall be solely responsible for paying directly to the proper taxing authorities such sale or use tax as may then become payable.
 - (p) Buyer holds all required retail sales tax registrations, certificates, licenses, or other permits issued by all applicable sales taxing authorities.
 - (q) We reserve the right to limit the number of Vehicles purchased by Buyer as determined in CarOffer's sole discretion.
23. **Vehicle Inspection.** CarOffer will arrange for inspection of the Vehicle by a third-party inspection company that is a CarOffer Service Partner (e.g., OneGuard, Wrench (Lemon Squad), WeGoLook, Dealer Specialties, Upstream, Acertus) in order to verify that the Vehicle's condition has been accurately described in the Vehicle Condition Report. If a Vehicle does not pass inspection, the Seller will be notified and CarOffer will facilitate communications between the Buyer and Seller for the purpose of resolving the Vehicle's failed inspection. If a resolution is not reached, the Seller will be charged for the inspection. Buyer is required to communicate any concerns regarding the Vehicle's conditions to CarOffer within the arbitration period.
24. **Vehicle Condition.**
- (a) Vehicles with a value equal to or greater than \$15,000 must have an AutoGrade score of 3.5 or greater. Vehicles with a value of \$14,999 or less must have an AutoGrade score of 3.0 or greater.
 - (b) Seller is bound by any commitments made in the Vehicle Condition Report area of the CarOffer Platform. For example, if Seller stated in the Vehicle Condition Report that the Vehicle comes with four snow tires, Seller will be required to provide four snow tires.
 - (c) Disclosures made by Seller in the Vehicle Condition Report are binding on the Seller.
 - (d) Wearable Items: CarOffer will not arbitrate vehicles for wearable items normally worn vs excessively worn or inoperative (not inherent). For purposes of this policy wearable items are defined as parts of the vehicle that the manufacturer recognizes the need for replacement/adjustment during the expected life of the vehicle. These items are normally identified in the Owner's Manual for routine check and replacement and would include, but are not limited to, air ride suspensions, battery, tires, wipers, brake pads, glass, shoes, rotors, belts, hoses, lubricants/fluids, timing belts, bulbs, filters, shocks, and struts.
 - (e) CarOffer will not arbitrate for hybrid or electric Vehicle batteries.
 - (f) Buyer can arbitrate a vehicle for perforated rust on structural components as defined in the NAAA Arbitration Policy.
 - (g) CarOffer inspection service providers complete an industry standard comprehensive inspection of the vehicle including OBDII scans and photos to aid in determining structural issues. [CarOffer's Inspection Guidelines can be viewed here](#). If the Buyer arbitrates the vehicle for an issue which was not able to be

uncovered through the standard inspection, CarOffer reserves the right to reengage the Seller to resolve the arbitration claim.

(h) When a Vehicle is re-launched on the CarOffer Platform, prior comments in the Vehicle Condition Report area may be reused or updated by Seller.

25. **Vehicle Transport.** Vehicles cannot be removed from a Seller's location until the Vehicle passes inspection.

26. **Transfer of Legal Ownership from Seller.** Notwithstanding any language in these Terms and subject to Seller's obligations with respect to any arbitrated Vehicle, both parties have entered into an irrevocable contract of sale of a Vehicle upon Seller's acceptance of Buyer's bid price, and Seller relinquishes legal ownership of the Vehicle upon the earlier of (a) the payment issued to Seller of the sale net proceeds or (b) Buyer taking possession of the Vehicle, regardless of whether title documents have been provided to Buyer or the applicable CarOffer Service Partner by that time.

FEES; PAYMENT

27. **Fees.** In consideration of access to and use of the CarOffer Platform, you agree to pay CarOffer and CarOffer Service Partners (as applicable) all fees and charges assessed by CarOffer and/or the CarOffer Service Partners for access to and use of the CarOffer Platform and related services (collectively, the "**Fees**"). Fees also include CarOffer Charges (Car Chgs) which is the difference, if any, between the Buyer's bid and the offer displayed to the Seller based on CarOffer's facilitation of the sale. All Fees are non-refundable. Fees are subject to change effective upon publication thereof at <https://www.caroffer.com/fees>, provided that CarOffer shall use commercially reasonable efforts to provide you advance notice of any fee changes in writing to the email address associated with your account. For an up-to-date list of CarOffer's Fees at any time, go to <https://www.caroffer.com/fees>.

28. **Payment Terms—Buyer.** For Buyers, the Purchase Price of the Vehicle, service charges and Fees payable by Buyer in connection with a transaction, including, without limitation, Fees related to transportation, inspections, and any accrued unpaid fees, is the "**Total Payment Amount.**" For accepted bids, the Total Payment Amount shall be automatically processed promptly to the applicable CarOffer Service Partner within two Business Days upon notification of the inbound Vehicle, in accordance with the default method previously selected by Buyer (i.e., electronic funds transfer, ACH, credit card, or other arrangement approved in advance by CarOffer). The Total Payment Amount shall be processed promptly to the applicable CarOffer Service Partner. All payments shall be made in U.S. dollars.

29. **Payment Terms—Seller.** After a Vehicle is marked "SOLD" on the CarOffer Platform, title to the Vehicle has been cleared by the applicable CarOffer Service Partner, the Vehicle has passed inspection and CarOffer or the applicable CarOffer Service Partner has received the Total Payment Amount, CarOffer will pay, or cause the applicable CarOffer Service Partner to pay, Seller an amount equal to (a) the Purchase Price, less (b)(i) Fees payable by Seller with respect to the Vehicle, including any Fees payable to any CarOffer Service Partner and (ii) any CarOffer Charges, and (iii) any accrued but unpaid Fees otherwise payable by Seller within two Business Days of receipt of the Vehicle title and any other documents required to transfer clear title to Buyer.

(a) **Failure to Pay; Offset.** If payment is not received when due and payable, the total amount then due and payable will be automatically debited from the Dealer's account via ACH instructions to the Dealer's floorplan or bank account or charged to the Dealer's credit card on file for the amount outstanding. In addition to whatever rights of set off CarOffer may have in any jurisdiction where Vehicles are sold, if Dealer or any party affiliated with Dealer ("**Dealer Affiliate**") fails to pay Fees or other amounts due and payable to CarOffer or any CarOffer Service Partner, CarOffer will be entitled to immediately offset the amount owed by Dealer or Dealer Affiliate from any funds owed by CarOffer to Dealer or Dealer Affiliate. In addition, if you fail to pay any amount when due and payable and such credit card charge cannot be processed, we may, as applicable: (i) withhold title documents until all amounts owed have been paid; (ii) cancel any sale transaction(s); (iii) charge late payment fees, or charge interest on any past due amounts at the rate of 1.5% per month, calculated in U.S. dollars, or the maximum rate allowed by law, whichever is less; or (iv) pursue any other remedy or relief available at law or in equity.

(b) **Electronic Check.** If we accept payment from you by electronic check, you authorize CarOffer to initiate debit entries to your account at the financial institution on which the electronic check was written. The

electronic check debit authorization will remain in force until we have received written notice from you of its termination. CarOffer reserves the right to decline payment by electronic check at any time and for any reason. Any Payment Instrument withdrawn, rejected, or returned for non-sufficient funds (“**NSF**”) must be settled and replaced immediately. NSF transactions will be subject to a service charge up to the maximum amount allowed by law, which shall be immediately due and payable.

- (c) *Collection.* You agree to pay all costs including attorney fees, court costs and other expenses reasonably incurred by CarOffer or a CarOffer Service Partner to collect any monies due and payable by you to CarOffer.
- (d) *Definition.* “**Business Days**” are days other than Saturdays, Sundays, and United States Postal Service holidays.

CAROFFER ARBITRATION POLICY

- 30. **General.** CarOffer offers an arbitration service to assist Buyers and Sellers in resolving disputes on all Vehicles offered for sale through the CarOffer Platform. CarOffer follows the National Auto Auction Association (“**NAAA**”) Arbitration Policy as amended or updated and it applies as if it was recited at length in these Terms. In addition, the supplementary arbitration rules set out in these Terms, apply to all Vehicles offered for sale through the CarOffer Platform. If there is a conflict between the NAAA Arbitration Policy and these Terms, these Terms shall prevail to the extent of the inconsistency. The NAAA Arbitration Policy can be viewed at NAAA.com under the Policy section. The decision of the arbitrator is final and binding on both Buyer and Seller. A Vehicle purchased through CarOffer will only be arbitrated once for any defects in accordance with the NAAA Arbitration Policy. Once a Vehicle is arbitrated for any reason, further arbitration of the Vehicle is not available. Arbitration is not available if Buyer no longer possesses the Vehicle or title. Arbitration is only available to CarOffer’s Buyers and Sellers and not to the customers of Buyers and Sellers. Any Vehicle received by a Buyer and acquired through CarOffer’s Buy Center Program will be subject to the standard CarOffer arbitration provisions (see [Sections 29-37](#)).
- 31. **Seller Obligations.**
 - (a) It is Seller’s obligation to fairly represent its Vehicle and to correct any errors made regarding disclosed conditions prior to launching a Vehicle for sale. Seller is responsible for the accuracy and completeness of all disclosures regardless of whether Seller has relied on CarOffer or third-party resources (e.g., inspection company, vehicle listing service, electronic data vehicle history report, etc.). In addition to the disclosures required under the NAAA Arbitration Policy, Sellers must disclose the following:
 - (i) Visible interior and exterior damage, glass damage, surface or perforated rust, missing equipment, and vehicle accessory electrical problems (subject to the arbitration threshold in [Section 31](#));
 - (ii) Vehicles not equipped with air conditioning (if not disclosed on the Vehicle listing);
 - (iii) Paintwork, bumpers not included and
 - (iv) tire tread depth measured at the lowest point less than 5/32nd inches.
 - (b) Seller has three Business Days to respond to the arbitrator’s inquiries and preliminary findings. If Seller fails to respond within the time limit, the arbitrator will decide the arbitration claim without further input from Seller. If the arbitration results in cancellation of the sale, the Seller is required to (i) reimburse Buyer its transportation costs, (ii) pay the actual transportation costs for the return transport of the Vehicle to Seller by CarOffer or its CarOffer Service Partner and (iii) pay applicable Seller’s fee associated with the cancelled transaction. Seller is required to pay any award amount that is determined by the arbitrator to be payable within three Business Days. If payment is not received within the time limit, CarOffer reserves the right to assess a late payment charge and/or deduct the award amount from any amounts payable by CarOffer to Seller.
 - (c) **Cancelations Occurring After Seller Payment.** If it is determined that a transaction will be canceled and Seller has already received payment, whether during the arbitration process or otherwise, Seller is responsible for refunding the original proceeds, plus all applicable charges, as noted in section 30(b).

Seller also agrees that CarOffer, or its auction affiliate, may collect refunds by initiating a withdrawal via ACH. In the event that Seller did not provide ACH authorization, CarOffer may withhold proceeds from future sales. All refunds are due no later than 3 business days after the arbitration resolution date. For refunds not received within 3 business days, CarOffer reserves its right to recoup any funds, plus reasonable expenses incurred as a result of collection efforts. Unpaid balances may be referred to a third-party collection agency, at CarOffer's sole discretion.

32. **Enhanced Arbitration Disclosure Threshold.** Offers on the CarOffer platform are presented with the assumption that the vehicle sold meets [CarOffer Condition Guidelines](#), which indicate that any vehicle sold should not require more than \$1,000 in cumulative repairs. In each case verified solely by the CarOffer Arbitration team as outlined in the CarOffer Inspection & Resolution Standards. Buyers and Sellers agree to the pricing, inspection, and resolution guidelines dictated in CarOffer Inspection & Resolution Standards.
33. **No "As Is" Vehicle Listings.** Only "Green Light" guaranteed condition vehicles may be sold by Dealers on the CarOffer Platform. Green Light vehicles are as defined by the NAAA guidelines.
34. **Arbitration Period.** If Vehicle transport is arranged through CarOffer or a CarOffer Service Partner, Buyer must begin an arbitration claim within two Business Days after Vehicle delivery. If CarOffer transport services are not used, Buyer must begin an arbitration claim within two Business Days after Vehicle delivery, not to exceed 10 calendar Days after the date the Vehicle is marked "SOLD" on the CarOffer Platform. [Section 36](#) sets forth the time limit for arbitration claims regarding absent titles.
35. **Extended Arbitration.** Buyer can decide to purchase Extended Arbitration which will provide up to 7 calendar days from the time of Vehicle delivery to submit an arbitration claim. All arbitration claims will be subject to the standard CarOffer arbitration provisions (see [Sections 29-37](#)). When enabled, Extended Arbitration applies to all vehicles purchased by Dealer.
36. **Absent Title Policy.** The arbitration window for absent Vehicle titles is 35 to 90 calendar Days after the date the Vehicle is marked "SOLD" on the CarOffer Platform. Seller has up to 35 calendar Days from such date to deliver the Vehicle title to CarOffer (or the applicable CarOffer Service Partner). The date the Vehicle is marked "SOLD" is counted as day 1. After 35 calendar Days (but before 90 days), Buyer can open an arbitration claim if Seller has not delivered the Vehicle title. Seller will have two Business Days after the arbitration claim is initiated to deliver the Vehicle title. Arbitration claims initiated after 4pm CST are deemed to have been received on the next business day. If Seller fails to do so, the sale will be cancelled. To the extent permitted under applicable law or regulation, Seller must provide a current KSR report for Vehicles with California titles. Seller will be responsible for all charges/penalties listed on the KSR report and Seller will be assessed additional charges if a current KSR report does not accompany the Vehicle title.
 - (a) If the Seller fails to provide a valid title within 30 days after the vehicle is marked "SOLD" on the CarOffer Platform, the Seller will be assessed a Late Title Fee.

37. Buyer Obligations.

- (a) Prior to placing a bid, Buyer is required to know the arbitration rules in place for the Vehicle. Buyer should carefully review all disclosed information, including photos, videos, announcements, damages, equipment, inspection summary and additional Vehicle history information.
- (b) No later than two Business Days after starting an arbitration claim, Buyer is required to submit supporting documentation to CarOffer, including, if applicable, wholesale (trade) repair estimates from an arm's-length franchise dealership or NAAA member auction. Failure to do so may result in denial of the arbitration claim. For the purposes of calculating repair costs, a mechanical labor rate of \$100 per hour will apply and part costs will be calculated at wholesale cost. Paint and Body repair costs will use a labor rate of \$50 per hour and \$30 per hour for supplies. Buyer shall not use any Vehicle that is subject to an arbitration claim other than for test-driving purposes (not to exceed 20 miles). Buyer may lose the right to make or continue an arbitration claim if the Vehicle is otherwise driven, subject to Car Offer's discretion.

(c) CarOffer reserves the right to assess an arbitration fee for invalid arbitration claims.

(d) If the determination is made that an arbitration claim shall be resolved by unwinding the transaction, the buyer has 10 days to return the title to CarOffer. Failure to return the title within 10 calendar days will result in the arbitration case being closed with no further action taken.

LIABILITY

38. **DISCLAIMER OF WARRANTIES.** CAROFFER AND THE CAROFFER SERVICE PARTNERS PROVIDE THE CAROFFER PLATFORM AND ALL RELATED SERVICES TO DEALER ON AN "AS IS" AND "AS AVAILABLE" BASIS, AND HEREBY DISCLAIM ALL EXPRESS AND IMPLIED WARRANTIES RELATED TO DEALER'S AND/OR AUTHORIZED USER'S ACCESS TO AND USE OF THE CAROFFER PLATFORM AND ANY RELATED SERVICES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR ANY WARRANTIES THAT MAY BE CREATED THROUGH COURSE OF DEALING OR USAGE OF TRADE. DEALER UNDERSTANDS THAT THERE MAY BE INTERRUPTIONS, DELAYS, INACCURACIES, OMISSIONS, OR OTHER PROBLEMS WITH THE CAROFFER PLATFORM, INFORMATION OR VEHICLE LISTINGS PUBLISHED ON THE CAROFFER PLATFORM, WHICH CAROFFER RESERVES THE RIGHT TO CHANGE OR UPDATE AT ANY TIME WITHOUT PRIOR NOTICE, AND THAT CAROFFER WILL NOT BE LIABLE TO DEALER, AUTHORIZED USERS OR TO ANY THIRD PARTY THEREFOR. CAROFFER DOES NOT WARRANT THAT THE CAROFFER PLATFORM WILL BE ERROR FREE, CONTINUOUSLY AVAILABLE, FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS OR MEET DEALER'S, CONSUMER'S OR ANY THIRD PARTY'S REQUIREMENTS.
39. **EXCLUSION OF CERTAIN LIABILITIES.** UNDER NO CIRCUMSTANCES SHALL CAROFFER, THE CAROFFER SERVICE PARTNERS OR THEIR RESPECTIVE AFFILIATES, EMPLOYEES, OFFICERS, DIRECTORS, AGENTS, LICENSORS, INDEPENDENT CONTRACTORS OR SUPPLIERS (THE "**CAROFFER PARTIES**") HAVE ANY LIABILITY TO DEALER FOR ANY CONSEQUENTIAL (INCLUDING LOST PROFITS), EXEMPLARY, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OR COSTS RESULTING FROM ANY CLAIM (WHETHER IN CONTRACT, TORT, EQUITY, NEGLIGENCE OR STRICT LIABILITY) RELATED TO OR ARISING OUT OF THE CAROFFER PLATFORM, ANY RELATED SERVICES, THESE TERMS, INCLUDING THE PERFORMANCE OR BREACH THEREOF OR THE USE OR INABILITY TO USE, OR PERFORMANCE OR NONPERFORMANCE OF THE CAROFFER PLATFORM OR ANY COMPONENT THEREOF, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
40. **LIMITATION OF LIABILITY.**
- (a) WITHOUT LIMITING [SECTIONS 38 AND 39](#), THE LIABILITY OF ANY CAROFFER PARTIES ARISING OUT OF OR RELATED TO THESE TERMS, THE CAROFFER PLATFORM OR ANY TRANSACTION OR SERVICE (WHETHER IN CONTRACT, TORT, EQUITY, NEGLIGENCE, OR STRICT LIABILITY) SHALL BE LIMITED TO ACTUAL DIRECT DAMAGES INCURRED BY DEALER AND THE AGGREGATE LIABILITY OF THE CAROFFER PARTIES FOR SUCH ACTUAL DAMAGES SHALL NOT EXCEED, UNDER ANY CIRCUMSTANCES, THE FEES PAID BY DEALER TO CAROFFER DURING THE THREE-MONTH PERIOD IMMEDIATELY PRECEDING THE OCCURRENCE OR ACT OR OMISSION GIVING RISE TO THE CLAIM. MULTIPLE CLAIMS SHALL NOT EXPAND THESE LIMITATIONS.
- (b) DEALER AGREES THAT THE CAROFFER PARTIES SHALL HAVE NO LIABILITY WHATSOEVER, ACTUAL OR OTHERWISE, TO DEALER OR AUTHORIZED USERS BASED ON ANY OF THE FOLLOWING: (i) ANY DELAY, INTERRUPTION IN USE OF, FAILURE IN OR BREAKDOWN OF THE CAROFFER PLATFORM OR ERRORS OR DEFECTS IN TRANSMISSION OCCURRING IN THE COURSE OF ACCESSING OR USING THE CAROFFER PLATFORM; (ii) ANY UNLAWFUL OR UNAUTHORIZED USE OF THE CAROFFER PLATFORM; (iii) ANY LOSS OF OR DAMAGE TO DEALER'S RECORDS OR INFORMATION; OR (iv) ANY CLAIM RESULTING FROM THE TERMINATION OF ACCESS TO THE CAROFFER PLATFORM OR ANY RELATED SERVICES.
41. **Indemnification.** Dealer hereby agrees to indemnify, defend and save harmless the CarOffer Parties from and against all liabilities including third-party claims, losses, suits, claims, demands, costs, fines and actions of any kind or nature whatsoever to which a CarOffer Party shall or may become liable, or which a CarOffer Party may suffer (including reasonable legal fees and expenses incurred in connection therewith) (each an "**Indemnified Claim**") by reason of (a) your breach of these Terms or applicable law, or any other obligation hereunder or any agreement between Dealer and a CarOffer Party; (b) your negligence or willful misconduct; (c) any personal injury or property damage that Dealer or any person for whom Dealer is responsible causes to a CarOffer Party; (d) your violation of any third party right, including any intellectual property right, right of attribution, association, integrity, publicity, confidentiality, property or privacy right; (e) Dealer's or any Authorized User's use of the

CarOffer Platform or any services or products provided by a CarOffer Party; or (f) any claim in connection with a Vehicle.

SUSPENSION; TERMINATION

42. **Suspension; Termination.** You are free to stop access and use of using the CarOffer Platform at any time. We reserve the right to suspend or terminate your access and use of the CarOffer Platform at any time at our discretion and without notice. For example, we may suspend or terminate your access and use of the CarOffer Platform if you are not complying with these Terms or any other agreements with us, including your nonpayment of Fees when due and payable, or you use the CarOffer Platform in a manner that would cause us legal liability, disrupt the CarOffer Platform, or disrupt other Dealer's use of the CarOffer Platform. We also reserve the right to terminate the CarOffer Platform at any time at our discretion and without notice. Notwithstanding the foregoing, no such suspension or termination will change your obligation to pay all amounts due and payable pursuant to these Terms, and this [Section 42](#) and [Sections 6, 9, 38-41 and 49](#) will survive any suspension or termination and continue to apply thereafter.

ADDITIONAL TERMS

43. **Web Information.** The CarOffer Platform may display information or materials or provide access via website links to third-party websites or services that are not owned or controlled by CarOffer or a CarOffer affiliate (the "**Web Information**"). Web Information is provided as a courtesy to you and for informational purposes only. Although we try to ensure that Web Information is accurate, errors may occur. In addition, some Web Information may be dependent on subjective interpretation or opinion. CarOffer has no control over, assumes no responsibility for and does not warrant or guarantee the Web Information or the privacy policies or practices of any third-party websites or services. You acknowledge and agree that CarOffer shall not be responsible or liable, directly, or indirectly, for any damage or loss caused or alleged to be caused by or in connection with your use of or reliance on the Web Information. We strongly advise you to read the terms and conditions and privacy policies of any third-party websites or services that you visit.
44. **Conducting Business.** CarOffer: (a) may rely and act upon any purported signature whether oral, written, or electronic and other communication in connection with the CarOffer Platform purportedly sent by Dealer or any Authorized User or person purporting to be an agent or employee of Dealer, and (b) has no obligation to scrutinize, inquire, or confirm any signature or communication with Dealer, any Authorized User or other person purporting to be an agent or employee of Dealer. CarOffer may conduct business with Dealer through the (nonexclusive) use of electronic, computer, digital, or other paperless means, including the good faith reliance on electronic mail, facsimile transmittal, telephonic or other usual and regular forms of communication without confirmation or authentication of the communication by receipt of an original signature, document, paper or otherwise.
45. **Electronic Signatures.** You will permit CarOffer to capture your signature in electronic or digital form. You hereby authorize CarOffer and its CarOffer Services Partners to apply your electronic signature to documents necessary or incidental to your use of CarOffer's services, including bills of sale, odometer disclosure statements, invoices, acknowledgements, approvals, and title documents submitted by you. You agree that your electronic signature is intended to authenticate the document to which it is applied and shall have the same force and effect as a manual signature.
46. **Price Boosting.** Price boosting (aka "shilling"), or any other activity in which a Dealer on its own or with others attempts to artificially inflate or decrease the selling price of a Vehicle, is strictly prohibited.
47. **Representations Regarding Taxes.** Dealer certifies that it holds the appropriate documentation issued by the sales tax authority of the state or province, or locality of its business, if necessary, which exempts Dealer from the payment of sales tax. If Vehicles or other products purchased are used for any purpose other than for resale, Dealer will pay directly to the proper taxing authorities such sale or use tax as may then accrue and be due and payable.

DISPUTE RESOLUTION

48. **Dispute Resolution.** If there is any controversy or claim arising out of or relating to these Terms or the validity,

inducement, or breach hereof (each such controversy or claim is hereinafter referred to as a “*Dispute*”), the parties shall first attempt to resolve the dispute as follows:

- (a) First, the parties involved in the Dispute shall attempt to resolve any Dispute prior to commencing the procedures set forth below.
- (b) If after seven days the parties are unable to resolve the Dispute, the parties shall submit to non-binding mediation which shall take place for a period of one day in Dallas County or Collin County, Texas before a mediator that is mutually acceptable to the parties.
- (c) If the parties are unable to agree on the selection of a mediator, a mediator will be chosen by an arbitrator selected pursuant to the rules of the American Arbitration Association (“*AAA*”) who will then select such mediator from a list of distinguished neutral mediators maintained by the AAA.
- (d) The mediator shall confer with the parties to design procedures to conclude the mediation within no more than 30 days after initiation.
- (e) Notwithstanding this [Section 48](#), each party has the right to pursue any provisional relief from the appropriate court, such as attachment, preliminary injunction, specific performance (the parties acknowledging that monetary damages may not be sufficient remedy), replevin, etc. to avoid irreparable harm, maintain the status quo, or preserve the subject matter of the Dispute even though mediation has not been commenced or completed.
- (f) Dealer may only resolve disputes with CarOffer on an individual basis and may not bring a claim as a plaintiff or a class member in a class, consolidated, or representative action. Class arbitrations, class actions, private attorney general actions, and consolidation with other arbitrations are not allowed.

GENERAL PROVISIONS

49. General Provisions.

- (a) *Entire Agreement; Conflict.* These Terms, together with any separate agreement or agreements entered into separately between CarOffer and Dealer (including the Enrollment Agreement), constitute the entire agreement between you and CarOffer with respect to the subject matter of these Terms, and supersede and replace any other prior or contemporaneous agreements, or terms and conditions applicable to the subject matter of these Terms. In the event of any conflict between the Enrollment Agreement or any other separate agreement, which must be signed by CarOffer to be binding, these Terms, the provisions of the Enrollment Agreement or such separate agreement shall be controlling unless otherwise expressly provided therein.
- (b) *Waiver.* CarOffer’s failure to enforce a provision is not a waiver of its right to do so later.
- (c) *Severability.* The provisions of these Terms shall be deemed severable, and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of these Terms, or the application thereof to any person or entity or any circumstance, is invalid or unenforceable, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, and (ii) the remainder of these Terms and the application of such provision to other persons, entities or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.
- (d) *Assignment.* You may not assign any of your rights under these Terms without CarOffer’ prior written consent, and any such attempt will be void. CarOffer may assign its rights to any of its affiliates or subsidiaries, or to any successor in interest of any business associated with the CarOffer Platform.
- (e) *Governing Law, Jurisdiction; Waiver of Jury Trial.* THESE TERMS, AND ANY AND ALL AGREEMENTS OR AUTHORIZATIONS EXECUTED BY DEALER, AUTHORIZED USER, OR CAROFFER IN CONNECTION HEREWITH SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS,

WITHOUT GIVING EFFECT TO ITS CONFLICTS OF LAW PRINCIPLES THAT COULD CAUSE THE LAW OF ANOTHER STATE TO APPLY. THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN DALLAS COUNTY, TEXAS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THESE TERMS OR ANY SUCH AGREEMENT. THE PARTIES EACH HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT.

- (f) *Notices.* All notices under these Terms shall be in writing and shall be delivered personally, mailed by overnight delivery, registered or certified mail, postage prepaid, mailed by express mail service or delivered by facsimile or e-mail to the addresses, facsimile or e-mail (i) for a Dealer, based upon the most recent information provided by the Dealer and currently maintained by CarOffer and (ii) for CarOffer, to CarOffer, Inc., 15601 Dallas Parkway, 6th floor, Dallas, TX 75001, facsimile (214) 291-5593, and e-mail info@caroffer.com. Notices shall be effective upon receipt if personally delivered, on the third Business Day following the date of mailing if sent by certified or registered mail, and on the first Business Day following the date sent via overnight delivery or express mail. Notices sent by facsimile or e-mail are deemed delivered upon confirmation of transmission, except if the transmission is during the normal non-business hours of recipient, receipt shall be deemed effective upon the resumption of the normal business hours of recipient. Dealer may change its address or other notice information by notice to CarOffer pursuant to this [Section 49\(f\)](#). CarOffer may update its notice address by amending these Terms.
- (g) *Construction.* The following rules of construction apply to these Terms: (i) any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of these Terms; (ii) the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation” unless already followed by words of similar import; (iii) the term “or” is not exclusive; (iv) except as otherwise indicated, all references in these Terms to “Sections” are intended to refer to a Section of these Terms; and (v) the descriptive headings contained in these Terms are included for convenience of reference only and shall not affect in any way the meaning or interpretation of these Terms.
- (h) *Force Majeure* In no event will either Party be liable or responsible to the other Party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement, when and to the extent such failure or delay is caused by any circumstances beyond such Party's reasonable control (a “*Force Majeure Event*”), including acts of God, flood, fire, earthquake or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades, national or regional emergency, national or regional natural or economic disaster, extreme market disruptions, widespread industry shutdown, pandemic, extreme technology disruptions, strikes, labor stoppages or slowdowns or other industrial disturbances, passage of law or any action taken by a governmental or public authority, including imposing business closure or cessation or other restriction or prohibition or any complete or partial government shutdown, or national or regional shortage of adequate power or telecommunications or transportation. Either Party may terminate the Enrollment Agreement if a Force Majeure Event affecting the other Party's performance under the Enrollment Agreement continues substantially uninterrupted for a period of 60 days or more. In the event of any failure or delay caused by a Force Majeure Event, the affected Party will give prompt written notice to the other Party stating the period of time the occurrence is expected to continue and use commercially reasonable efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

50. **Index of Defined Terms.** The following is an index of all terms defined in these Terms and the Section of these Terms in which they are each defined.

Defined Term	Section
AAA	48(c)
Approver	16
Authorized Users	3
Backstop Bid	18(b)(ii)
Business Days	28(d)

Defined Term	Section
Buyer	Opening Paragraph
CarGurus	15
CarOffer	Opening Paragraph
CarOffer Buyer Matrix	14
CarOffer IP	9
CarOffer Parties	39
CarOffer Platform	1
CarOffer Service Partners	1
Data	10
Dealer	Opening Paragraph
Dealer Affiliate	28(a)
Dispute	47
DMS Data	10
Enrollment Agreement	3
Extended Arbitration	33
Force Majeure Event	49(h)
Guaranteed Bid	16(b)(iii)
Indemnified Claim	40
Landed Dealer	15
LD Evaluation Period	15
NAAA	27
NSF	28(b)
our	Opening Paragraph
Purchase Price	19(c)
PremiumXchange	16
Proposer	16
Seller	Opening Paragraph
Seller Assurance	34
TA	20(g)(ii)
Terms	Opening Paragraph
Total Payment Amount	27
TWD	20(g)(i)
us	Opening Paragraph
Vehicle or Vehicles	1
we	Opening Paragraph
Web Information	42
you	Opening Paragraph
your	Opening Paragraph