

Terms and Conditions

Membership is required to bid, buy or sell vehicles, watercraft, ATVs, etc. (hereinafter "Items") through QCSA Holdings, Inc and its subsidiaries (QCSA Direct, Crashed Toys, LLC, Quad City Salvage Auction, Inc. and Salvage Direct, Inc.)(hereinafter "the Company") As a registered buyer with the Company, you agree to be bound by the following Terms and Conditions.

The Company reserves the right to amend these Terms and Conditions at any time without prior notice. In addition, any and all terms and conditions printed on sales agreements or other sales sheets or lists and other terms and conditions listed on the website or announced at live auctions are incorporated by reference into these Terms and Conditions.

I. REGISTRATION

a. Buyer Registration

Individuals or entities wishing to register must be 18 years of age or older and meet all requirements imposed by applicable federal, state and local laws and regulations.

A prospective Buyer must complete the registration form in full, provide proof of identity, copy of current license, a completed sales tax exemption certificate and pay a \$200 registration fee for an annual membership, \$125 for a six month membership, or \$25 for a 30 day membership. A prospective Buyer shall be registered immediately as an unlicensed Buyer until the Company receives the licensing information. Unlicensed buyers (hereinafter the "Public") may register with the Company as a buyer; however, even if the registration is approved by the Company, the Public may be restricted from bidding on and purchasing certain Items as per Federal, State and Local laws. If registration cannot be finalized, the Registration Fee shall be refunded to the individual or entity.

No Buyer which has had its dealer, salvor, or salesperson license suspended or revoked may bid on an Item while the license is suspended or revoked.

b. Cancellation

The Company reserves the right to deny, suspend or terminate membership privileges to any individual or entity, in its sole and absolute discretion.

c. Security Deposit, and Annual Renewal Fees

Membership must be renewed annually by forwarding a copy of a current license and an annual renewal fee prior to expiration. The annual renewal fee for licensed dealers and other licensed vehicle businesses shall be \$100. The annual renewal fee for the Public and international buyers shall be \$200.00. A 30 day membership shall be renewed at the 30 day membership rate. A six month membership shall be renewed at the six month membership rate.

All Public buyers and international buyers are required to submit a \$400.00 Security Deposit. After one year, the account will be reviewed. If there are no outstanding fees and the account is in good standing, the Security Deposit will be utilized in the following manner: \$200.00 will

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be utilized for the Annual Renewal Fee and \$200.00 will be applied as a credit on the account. If there are outstanding fees and the account has been closed, the security deposit shall be applied to the outstanding fees and the remaining sums will be refunded to the Buyer.

d. Business Background Check Fee

The Company may on occasion choose to do a business background check on a company before approving the buyer account. This fee is non-refundable and varies according to the country in which the Buyer's company is located.

e. Authorized Bidders

Each authorized bidder must be 18 years of age or older and able to form legally binding contracts.

Public buyers may NOT add any additional bidders to their account.

f. Account Responsibility

The Registered Buyer and the Authorized Bidder(s) may have their own usernames and passwords at no additional charge. Buyer accounts may have up to four usernames and passwords. The Registered Buyer is responsible for all activities and transactions made on their account. This includes all bids by the Authorized Bidder(s), live as well as all bids submitted via the Internet. The Company reserves the right to suspend or revoke buying privileges of an Authorized Bidder for any reason.

g. Identity Theft, Fraudulent, or Criminal Use of Your Account

Should a Buyer's account, membership ID, or online username/password be used without authorization, you are required to immediately send the Company written notification. The Buyer is responsible for all account activity and charges incurred prior to the Company's receipt of written notice of the unauthorized activity.

h. Sales Tax Indemnification

Buyers purchasing Items from the Company will be responsible for remitting any sales, use or excise tax to the appropriate authority as required by the law of their state.

Buyers purchasing vehicles from the Company, upon presentation of a sales tax exemption certificate, agree to indemnify, defend and hold the Company harmless from any and all sales tax assessments, fines, penalties, damages and costs, including attorney fees, incurred as a result of a taxing authority determination that the transaction was subject to the payment of sales or excise tax.

II. DISCLAIMERS

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a. Vehicle Condition and History Disclaimer

All information associated with each item is accurate to the best of the Company's knowledge without investigation. The Company and its vehicle suppliers expressly disclaim the accuracy or completeness of any and all information provided to Buyers regarding vehicles, whether provided in written, verbal, or digital image form. Description of damage is as identified by an outside party, and as with any wrecked/damaged item, there is always the potential for missed and/or hidden damages. Vehicle information is provided for convenience only. The Company, its vehicle suppliers, and/or the seller is not responsible for any damages associated with an item. Most items sold by the Company have been damaged through accident, theft recovery, or repossession. All Items sold through the Company are sold "AS IS, WHERE IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND ON ANY ITEM SOLD, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF TITLE, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. The insurance provider/fleet provider is not liable for any discrepancies related to the insurance damage appraisal.

b. DMV/MVD Paperwork Disclaimer

The Company is not responsible for defects, errors, or omissions (i) related to motor vehicle department paperwork not processed by the Company, or (ii) made by DMV/MVD

c. Registration Laws Disclaimer

The Company does not guarantee that any vehicle sold can be legally titled and/or registered in any state or country, and Buyer accepts all risks associated with the variations in vehicle title and registration laws between states, provinces, and countries.

d. Website Disclaimer

THE COMPANY PROVIDES ITS WEBSITE, ALONG WITH ITS CONTENTS AND SERVICES ("SERVICE") CONTAINED THEREIN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT ANY WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED. QCSA Holdings, Inc. SPECIFICALLY DISCLAIMS THE IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. The Company does not guarantee continuous, uninterrupted or secure access to its services, and operation of the Website may be interfered with by numerous factors outside of the control of the Company.

e. Limit of Liability

IN NO EVENT SHALL THE COMPANY OR ITS VEHICLE SUPPLIERS BE LIABLE FOR LOST PROFITS OR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, HOWEVER ARISING, THAT RESULT FROM OR ARE RELATED TO THE SALE, DISTRIBUTION, USE OF, OR INABILITY TO USE, ANY VEHICLE SOLD ON ITS WEBSITE OR AT A LIVE AUCTION.

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f. **Company Premises - Release of Liability**

Registered Buyers and their guests hereby waive and release their rights (if any) to recover from the Company, its directors, officers, employees, representatives and agents, for any and all claims damages, losses, liabilities, costs or expenses whether direct or indirect, known or unknown, or foreseen or unforeseen, which may arise from, or be related to, any occurrence on the Company's premises.

III. BUYER FEES

Buyers are solely responsible for ascertaining any applicable fees prior to incurring any charges. All fees are final. The Company does not negotiate or waive incurred fees. All fees are subject to change without notice.

a. **Approved Finance Co. Fee**

All Items paid for via approved finance companies will be assessed a \$10.00 processing fee.

b. **Buyer Fee**

Each Item will be assessed a Buyer Fee based upon Sale Type, Buyer Type, Sale Amount, etc. Buyers are solely responsible for obtaining a current Buyer Fee Plan chart of fees.

c. **Handling Fee**

Each Item will be assessed a Handling Fee based upon Sale Type, Buyer Type, and Sale Amount. Handling Fees range from \$0.00 - \$100.00.

d. **Duplicate Title Fee**

The Company is not responsible for titles lost in the mail. Each duplicate title requested will require payment prior to application processing. There will be a \$40.00 processing fee plus the cost of the title assessed per title for all requests of duplicates.

e. **Inactivity Fee**

Any Buyer account with a credit balance for more than six months will be charged \$10.00/month to maintain the account, up to the balance of the account.

f. **Late Payment Fee**

Payment must be received within 2 business days of the invoice date to avoid penalty. A fee of \$40.00 per calendar day will be charged against any Item not paid on time.

g. **Notarizing Fee**

There is a \$10.00 fee assessed per document for notarizing any documents at the request of a Buyer.

h. **NSF Fee**

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All checks returned for non-sufficient funds will incur an additional fee of \$100.00 per check / ACH Debit. Titles and/or Items may be withheld from Buyer until Buyer pays in full the amount of the returned check plus any fees incurred. This payment must be made by a wire transaction or with certified funds. Buyer may no longer be able to pay for purchases via company check or ACH Debit.

i. Re-listing Fee

If payment and electronic signed sales agreement are not received within 10 calendar days from the date of invoice, there will be a re-listing fee of \$600.00 or 15% of the high bid amount per Item, whichever is greater, and may result in exclusion of the Buyer from any future bidding. Buyer's account will be suspended until the relist fee is paid in full. At the discretion of the Company, the account may be re-approved only after the Item has been resold, even if the relist fee is paid in full before that time. If the Buyer has received the title, Buyer must mail the title back to the Company via trackable mail before the account will be re-approved.

j. Storage Fee

Storage terms begin the day after invoice. Buyers must contact the storage facility where the item is located to determine the number of free days of storage allowed. A fee of \$25.00 per calendar day will be charged against any Item not picked up on time.

k. Title Shipping Fee

International Buyers will be charged \$35.00 per title for express mailing. Licensed Dealers and Public Buyers have the option of receiving their titles via regular U.S. mail at no charge, Fed Ex Ground at a charge of \$7.00 per title, Fed Ex Second Day at \$20.00 per title or Fed Ex Standard Overnight at \$35.00 per title. Titles may be picked up in person by the Buyer at no charge at designated facilities. Buyers are solely responsible for ascertaining available title pickup locations.

IV. PAYMENT TERMS

Buyers may view account activity in the Buyer's Dashboard area on the Website. Payment in full must be received within two business days from Buyers located within the United States. Payment in full must be received from international Buyers within three business days. Payments received after this date will be subject to additional fees and may be considered in default of payment. Item and title will not be released until payment in full has been received.

Money received from Buyers will first be applied to late fees, relist fees, or any outstanding balance before being applied to payment of any Item. Also, money will be applied to unpaid vehicles in order of invoice date, with the oldest outstanding invoices being paid first, unless otherwise specified by the Buyer.

a. Accepted Methods of Payment:

ACH Debit

Buyer must be pre-approved to pay via ACH Debit. See Company personnel for an application form.

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Approved Finance Co. Fees

Payments from approved finance companies (currently AFC and Dealer Services, Inc.) from pre-approved Buyers will be accepted.

Cash

Cash is not a regularly accepted method of payment and may only be accepted when pre-approved.

Cashier's Check / Certified Funds / Major U.S. Travel's Checks / Money Order

Funding must be made payable to the correct subsidiary of QCSA Holdings, Inc.

Company or Personal Check

Buyer must be pre-approved to pay via check. See QCSA Holdings, Inc. personnel for an application form. Company checks must be in the name of the company and Personal checks must be in the name of an authorized bidder.

Credit Card

Credit Card is not a regularly accepted method of payment and may only be accepted when pre-approved.

Wire Transfer

See QCSA Holdings, Inc. personnel for a Wire Transfer form.

V. AUCTION POLICIES

a. Auction Types

1. Online Only Auction

In a sale designated "Online Only" all vehicles listed for sale have a designated "close time" when the auction ends. Registered Buyers may enter their "maximum bid" for the vehicle by clicking the "Bid Watch" button. The Buyer can raise their maximum bid at any time. The Online Only sale also contains a dynamic-close function, whereby when any bid is received within the last three minutes of a sale, all bidding for that vehicle is extended by another five minutes.

2. Live Bid Auction

Live sales are conducted by an auctioneer who raises the price of a vehicle in increments according to bids received by both those in attendance AND by those bidding virtually online.

3. Live Online Auction

A Live Online Auction is a combination of the Online Only Auctions and Live Bid Auctions. Buyers are able to place proxy "pre bids" on vehicles up to two hours before the start of the Live Online Auction. Proxy bids can be made as straight bids or by using the "Auto Bid" function. The pre-bid period ends exactly two hours before the Live Online Auction starts. Buyers need to log into the live auction once the pre-bid period ends. Once the Live Online Auction begins, the auctioneer will auction one vehicle at a time, starting with the first vehicle in

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the sale line. Current bid and vehicle information are shown on the bidding screen and buyers place all bids on this screen. Buyers can place straight bids or "Auto Bids" using the bidding screen.

b. Online bidding methods

1. Internet Preliminary Bidding

A registered Buyer may place bids online prior to a sale by obtaining a username and password from the Company.

2. Live Internet Bidding

Registered Buyers may bid live online during our live sales through our Bid Central technology. This account allows Buyers to bid live online while competing with the highest Preliminary Bid (Proxy bid) and other Bidders, both online and onsite.

c. Bidding Rules

- i. Once a bid is submitted, it cannot be retracted, deleted or cancelled.
- ii. ALL BIDS ON ALL UNITS ARE TO BE APPROVED BY QCSA HOLDINGS, INC.
- iii. The Company may, at any time, in its sole and absolute discretion, with or without notice, postpone or cancel a sale, withdrawal a vehicle from sale, accept or reject any and all bids, or change the auction end date. The Company shall neither be liable or obligated to Buyers as a result of any auction postponement, sale cancellation, vehicle withdrawal or change in auction end date.

iv. Tie Bid Policy

Should a tie occur between a Proxy bid and a Live Bid , the vehicle will be awarded at the sole discretion of the Company

v. Unauthorized Password Usage

In the event a Buyer's ID number and/or password are used without authorization, the Buyer shall be responsible for all account activity and charges incurred. QCSA Holdings, Inc. has no obligation to verify the identity of any person who gains access to its services by means of the registered QCSA Holdings, Inc. user ID and password. The Buyer shall notify QCSA Holdings, Inc. if it believes that their ID number and/or password are used without authorization.

vi. Reserves / Minimum Bids

All auctions are "With Reserve". This means all items are subject to a reserve/minimum bid. These reserves/minimum bids may be placed on items before, during or after an auction. The high bid on a vehicle does not mean that the bidding party has been awarded the sale of that vehicle.

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If the reserve price for an Item has not been met at the end of the auction, the Reserve Management System (RMS) process will be executed. See Company personnel for a complete description of the RMS process.

d. Technical Failure

Although we endeavor to provide high-quality service, the Company does not represent or guarantee that its service will be secure, uninterrupted, accurate, current, complete or error-free. Neither the Company nor any Internet service provider is responsible for failures of any telephone network, computer equipment and/or software; lost or delayed transmission of data; inaccurate data entry or omission; technical malfunction; service interruption; defect or any other type of technical difficulty or failure.

The Bidder assumes sole responsibility for any damage, loss of data or interruption of use that may occur to the Bidder's computer or communications system as a result of downloading or obtaining material through the use of our service.

e. Sales Agreement

Once an auction ends on an Item, an email is sent to the successful high bidder explaining how to complete the electronic sales agreement. Sales agreements are available in the Buyer's Dashboard area on the Website.

The Company is not responsible for failed faxes or emails. Upon sale of an Item, the high bidder will need to electronically sign the sales agreement and submit it online on their Buyer's Dashboard. Items will NOT be released until an electronic signed sales agreement is submitted and receipt of payment from Buyer has been confirmed.

f. Title Handling

For the purpose of these Terms and Conditions, "Title" means any official document that serves as proof of ownership, whether it is a Salvage Certificate, Bill of Sale, Certificate of Destruction or other such document.

It is the Buyer's responsibility to abide by and understand the applicable state's titling regulations. Titles will be mailed to the title shipping address chosen by the Buyer on the Buyer Dashboard. The Buyer is responsible for entering and confirming the correct address. Buyer will be responsible for paying any fees that the Company invoices as a result of an incorrect or invalid address being entered by the Buyer. If no title shipping address has been entered on the Buyer Dashboard, the Titles will be mailed to the address listed on the Buyer's professional license.

The Company is not responsible for Titles to Items sold through the Website by Buyers to other Buyers. Buyers should make direct arrangements with Buyers acting as Sellers for the transfer of Titles.

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g. Storage and Pick up of Item

Items can only be picked up during specified time periods. Buyers are solely responsible for ascertaining required pickup date of Facility and available pickup times. The Company reserves the right to refuse to load and/or release any vehicle due to unsafe or improper transportation equipment.

The Company reserves the right to not release an Item or title for which payment and electronic signed sales agreement are received if the Buyer has an outstanding balance or for any other reason.

COMPLAINTS. All Item-related complaints must be received by the Company facility prior to the Item leaving the Facility. The Company will not recognize any claim for theft or damage after the vehicle has been awarded.

The Item must be removed within 30 days from the invoice date. If Item is not removed within 30 days, the Company will consider Buyer to have defaulted with respect to Buyer's purchase obligations. The vehicle will be considered Abandoned.

Item must be removed from the storage facility before being posted for sale by Buyer. "Posted for sale" shall mean putting an item up for auction on EBAY or any other auction website. If Buyer is found to have posted any Item for sale before it has been removed from the Company's authorized storage facility, their account will be immediately suspended and the Buyer will not be able to bid on the Website again.

VI. LIVE AUCTION FACILITY RULES

a. Standard Facility Rules

- No persons under the age of 18 or pets will be allowed on the premise.
- The use of cameras is prohibited.
- Briefcases, backpacks, purses and any like packages are not allowed in the sale area.
- Electric fences surround the premises of the Company facilities; please stay clear of these fences.
- Repairs or work on vehicles on or around the Company property at any time is prohibited.
- Any damage to the Company property will be charged to the registered Buyer.
- Anyone caught stealing, removing parts, taking keys, or damaging vehicles will be arrested and prosecuted to the fullest extent of the law and forfeit all buying privileges at the Company.

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b. Sale Preview

Advance preview of vehicles at the physical auction location is limited. Licensed Buyers may preview up to five days prior to sale. Public buyers may preview the day prior to sale. Guests are NOT allowed to preview vehicles, no exceptions. Licensed Buyers must provide the Company with a valid photo ID to enter the yard for vehicle preview. All Licensed buyers must sign-in and receive a preview badge at the customer service counter in order to enter sale area. Before leaving the Company facility, Licensed Buyers must sign-out at the customer service counter and return the preview badge. Licensed Buyers must enter and exit the yard through the Main Office exclusively.

c. Buyer Check-In

All Registered Buyers must check-in with the Company before they are allowed entrance into the auction. Registered Buyers must display their Bidder number when bidding on vehicles. Only a Registered Buyer or a Registered Buyer's authorized Bidder, as set forth on the Buyer Registration Form, may bid on and purchase a vehicle.

d. Guests

Registered Buyers must accompany non-registered individuals (Guests) at all times. A guest is defined as any person that is not a spouse or a person that is not named as the secondary Bidder. Guests of non-dealers will be subject to a guest fee at the gate.

Guest fees vary based on location. Standard fees are \$20.00 for the first guest, \$50.00 for the second, and \$100.00 for each additional guest.. Guests are NOT allowed to preview vehicles. Guests are NOT allowed to bid on vehicles and must display a valid guest pass at all times.

e. Sale Stickers / Vehicle Information

Onsite Buyers will be able to view a Sale Sticker on the windshield of the vehicle, which provides detailed information about the vehicle.

Live Internet Bidders will be able to see Sale Sticker information in the "Vehicle Details" section of the web site.

The Company makes every attempt to be as accurate as possible, however information is not guaranteed nor does the Company represent or warrant that such information is accurate. All information is intended to simply to give Buyers a better understanding of the mechanical condition and general information about the vehicles in a sale.

Sale Sticker and Vehicle Information was gathered as the vehicle arrived at our facility. The Company cannot guarantee that vehicles are in the same condition on sale day. It is the sole responsibility of the buyer to verify the condition of all vehicles prior to bidding. Buyers may not contact Suppliers or former owners of vehicles that are posted for sale at the Company's auction.

VII. IMPORT / EXPORT AND OTHER INTERNATIONAL ISSUES

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a. **Applicable Language.** All communications between the Buyer and the Company with respect to these Terms and Conditions will be in English.

b. **Exportation of Items.** All International Buyers are responsible to export the Items that they purchase from the Company and comply with customs import procedures applicable to foreign title vehicles. All Buyers will conduct business by following all re-sale activity in compliance with U.S. Export rules and regulations, which can be found at www.bis.doc.gov. Buyers are responsible for knowing which vehicles they are allowed to export from the United States and which vehicles are permissible into the country to which the vehicle is being exported.

c. **Currency.** All payment transactions between Salvage Direct, Inc. and Buyer will be in US Dollars.

d. **Exclusion.** These Terms and Conditions exclude the United Nations Convention on Contracts for the International Sales of Goods.

VIII. MISCELLANEOUS TERMS AND CONDITIONS

a. **System Integrity.** A Buyer may not use any device, software or routine to interfere or attempt to interfere with the proper working of the Website or any auction being conducted on the Website. A Buyer may not take any action which imposes an unreasonable or disproportionately large load on the Company's infrastructure. A Buyer may not disclose or share its password to any third parties or use the password for any unauthorized purpose.

Buyers may not contact insurance companies who supply vehicles to the Company to sell or former owners of vehicles that are posted for sale on the Company's auction for the purpose of gathering information about a particular Item.

b. **No Agency.** Each Buyer and the Company are independent contractors, and no agency, partnership, joint venture, employee-employer or franchisor-franchisee relationship is intended or created by this Agreement.

c. **General Compliance with Laws:** Each Buyer must comply with all applicable laws, statutes, ordinances and regulations regarding use of the Company's service and the Buyer's bidding on, purchase and sale of Items.

d. **Notices and Changes:** Except as explicitly stated otherwise, any notices required or permitted to be given to the Company shall be given via email at info@salvagedirect.com. Any required or permitted notices to be given to Buyer shall be given via email at the email on file, posting on the Company's website, or such other address as the Buyer may specify. Notice shall be deemed effective 24 hours after an email has been sent or information has been posted on the Company's website.

e. **Choice of Law.** This Agreement will be governed in all respects by the laws of Pennsylvania without regard to its conflict of law provisions.

f. **Enforceability.** If any provision of this Agreement is held to be invalid or unenforceable, such provision will be struck and the remaining provisions will be enforced.

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Headings are for reference purposes only and in no way define, limit, construe or describe the scope or extent of such section.

g. Waiver. The Company's failure to act with respect to a breach by a Buyer or others does not waive the Company's right to act with respect to subsequent or similar breaches.

I have read, understood and agree the foregoing terms and conditions.

Signature of Registered Buyer

Date

Printed Name of Registered Buyer