

AUCTION SERVICES AGREEMENT

THIS AUCTION SERVICES AGREEMENT (“**Agreement**”) is made as of the 5th day of January, 2018 (“**Effective Date**”), by and between Madison County a governmental entity of the State of Mississippi, (collectively, “**Consignor**”), and Dealers Auto Auction Group, LLC (“**DAAG**”), on behalf of itself and its subsidiaries and affiliates listed on Exhibit A attached hereto and made a part hereof (collectively, “**Affiliates**” and together with DAAG “**Supplier**”).

WITNESSETH:

WHEREAS, Consignor desires to arrange for the pickup, transportation, storage, inspection, servicing, repair, appearance reconditioning and offering for sale at auctions used motor vehicles owned by Consignor;

WHEREAS, Supplier is a service company engaged in the business of picking up, transporting, storing, inspecting, servicing, repairing, appearance reconditioning, and offering for sale at in-person and online auctions used motor vehicles; and

WHEREAS, Supplier is willing to make its services available to Consignor;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1. TERM.

1.1 Initial Term. This Agreement shall commence on the Effective Date and shall continue for a period of one (1) year (“**Initial Term**”), unless earlier terminated in accordance with this Agreement.

1.2 Renewal Terms. Consignor shall have the option to renew this Agreement for three (3) consecutive one (1) year terms (each, a “**Renewal Term**” and together with the Initial Term, the “**Term**”), upon the same terms and conditions but for the Charges (as defined in Section 3.1), which shall be negotiated in good faith and mutually agreed upon by the parties in a written amendment to this Agreement prior to the beginning of a Renewal Term, by providing written notice of such election at least ninety (90) days prior to the expiration of the Initial Term or any Renewal Term.

2. SERVICES.

2.1 Consignment. The services provided under this Agreement are pursuant to a consignment relationship between the parties. Consignor agrees to designate for consignment to Supplier (each, a “**Consignment**”) vehicles which are owned or managed by Consignor (each, a “**Vehicle**”), in such mix and quantity and at such times as Consignor deems appropriate, by electronic means or a Consignor authorized auto inventory management system (such as “**AutoIMS**”) (collectively, a “**Consignment System**”) for marketing, merchandising, and offering for sale at in-person or online auctions (“**Auction**”) by Supplier at its and its Affiliates auction sites identified in Exhibit A (each, an “**Auction Site**” and collectively, the “**Auction Sites**”). All Vehicles

entrusted to Supplier by Consignor under this Agreement shall be on Consignment, and no title or property rights shall be transferred to Supplier or any other party until sold to a purchaser pursuant hereto. Supplier agrees to accept all Vehicles pursuant hereto on Consignment, subject to the terms and conditions set forth in this Agreement, and to provide the pickup, transportation, storage, inspection, service, repair, appearance reconditioning, and auction sales services, as more particularly described in Exhibit B attached hereto and made a part hereof, in each case to the extent requested by Consignor, and such other vehicle remarketing and other related services as may be agreed upon by the parties from time to time during the Term (collectively, the "Services"). Following the Consignment of a Vehicle, Supplier agrees to use all commercially reasonable efforts in accordance with generally accepted industry practices and in compliance with the provisions of this Agreement and Exhibit B to (i) pickup, transport, and secure the Vehicle, using commercially reasonable means to safeguard the Vehicle, (ii) make the Vehicle ready for sale at Auction by completing all Services applicable thereto as soon as reasonably practicable, and (iii) maximize the sales proceeds for the Vehicle. The parties shall immediately notify the other of any disruption of Service that will have, or can reasonably be expected to have, a material adverse effect on Consignor or Supplier's ability to fully perform the Services.

2.2 Affiliate Services. In the event that the Services or components of the Services are performed by any subsidiary or affiliate of Supplier, including, but not limited to, any Affiliates, Supplier remains solely responsible for such Services and components and will be liable for such subsidiary's or affiliate's failure to pay amounts due or to become due Consignor under this Agreement or to perform or abide by the provisions of this Agreement. Supplier agrees that the foregoing obligation with respect to a subsidiary's or an affiliate's failure to pay or perform under this Agreement is valid and shall be unconditionally binding on Supplier, its successors and assigns, and that Supplier will, upon demand, pay Consignor any and all amounts due and perform any and all other obligations which such subsidiary or affiliate fails to pay or perform under this Agreement, without Consignor having to first commence any action or obtain any judgment against such subsidiary or affiliate.

2.3 Payment and Collection of Auction Sale Proceeds; Segregation of Funds; Payment Guarantee. Except as otherwise provided in Exhibit B, all proceeds due Consignor from the sale of Vehicles at Auction shall be held in trust by Supplier for the benefit of Consignor and must be wire transferred to and received at Consignor's designated banking institution within five (5) business days following the date of the applicable Auction. A wire transfer acknowledgement form or ACH confirmation must also be provided to Consignor by Supplier within the same 5-business day period. All Charges due Supplier for such Vehicles pursuant hereto may be deducted from the wire transfer remitted to Consignor. Following its receipt of any proceeds from the sale of Vehicles at Auction, Supplier shall ensure that the applicable proceeds are remitted to Consignor by ACH transfer or such other payment method as may be agreed upon by the parties from time to time, in each case within five (5) business days following the date of the Auction. Supplier hereby acknowledges and agrees that it shall be responsible for the collection of the proceeds of the sale of a Vehicle to a purchaser and all costs incidental thereto, including all legal fees and costs of collection, and for purposes thereof, shall be considered a third party beneficiary of the contract of sale with such purchaser to enforce against the purchaser all legal and equitable remedies available to a "seller" of goods available under Article 2 of the Uniform Commercial Code or other applicable Law.

- 2.4 No Security Interest in Vehicles.** Supplier hereby acknowledges and agrees that (i) Consignor retains title to and all property rights in all Vehicles accepted by Supplier on consignment pursuant to this Agreement, and (ii) no security interest (including any purchase money security interest) is granted, or intended to be granted, to Supplier, and Supplier obtains no property rights, in or to such Vehicles, or any additions, accessions, accessories, replacements, or proceeds thereof. Supplier further acknowledges and agrees that unless specifically authorized in writing by Consignor, Supplier will not (i) prepare and file any financing statement for a Vehicle (provided that this clause (i) shall in no event prohibit Supplier or any Auction Site from filing financing statements to secure the general payment obligations of any dealer customer with respect to vehicles purchased by such dealer customer at or through Supplier's auctions), or (ii) identify itself on any odometer disclosure statements, title documents, auction invoices, checks, drafts, direct financing forms, or other documents necessary to transfer ownership of a Vehicle at Auction as the seller. In the event any alleged competing security interest in a Vehicle is asserted against Consignor, Supplier acknowledges that as between Supplier and Consignor, the security interest will not be enforceable by Supplier, and Supplier will not be entitled to any rights or remedies of a secured party as may be provided by law. To the extent that Supplier is deemed to hold an ownership interest or any other property rights in or to any Vehicles accepted by Supplier on Consignment pursuant hereto under the law by which this Agreement is to be construed, Supplier hereby grants Consignor a security interest in and to such Vehicles and agrees to execute and deliver all documents reasonably requested by Consignor in order for Consignor to perfect its rights in and to the Vehicles.
- 2.5 Power of Attorney.** Consignor shall provide Supplier with a power of attorney in the form attached hereto as Exhibit C and made a part hereof (the "**Power of Attorney**") authorizing Supplier to act as Consignor's agent and attorney-in-fact with full and complete authority to complete and/or sign on Consignor's behalf all documents required in connection with the Vehicles picked up, transported, stored, inspected, serviced, repaired and/or appearance conditioned for Consignor for sale at Auction under this Agreement, including, without limitation, the completion and/or signing of any odometer disclosure statements or other certifications (e.g., Katrina certifications and other casualty related disclosures), title documents, auction invoices, checks, drafts, direct financing forms, or other documents necessary to transfer ownership of a Vehicle at Auction.
- 2.6 Theft, Conversion, Loss or Damage.** Following the Consignment of a Vehicle, Supplier shall be responsible for any theft or conversion of, or loss or damage to, the Vehicle or any part thereof, while in transit from its designated pickup location ("**Pickup Location**") to an Auction Site and while it is in Supplier's care, custody, and control at an Auction Site, unless such theft, conversion, loss or damage occurs as a result of (i) an act or omission of Consignor, or (ii) any act of God, Nature, or other act not within Supplier's reasonable control. In the event a Vehicle is not recovered within thirty (30) days of its theft or conversion, Supplier will pay Consignor an amount equal to the then-current clean wholesale value of the Vehicle in average condition established by a nationally accepted vehicle market guides, such as the Black Book Pricing Guidebook, the National Automobile Dealers Association Guidebook, or an Auction Market Report, plus or minus adjustments for the Vehicle's equipment, mileage, and condition prior to such total loss, theft, or conversion.

3. CHARGES, INVOICING AND PAYMENT TERMS.

3.1 Charges. Consignor agrees to pay the fees and charges for the Services based on the type of Vehicle sold (collectively, "Charges") in accordance with the Schedule of Fees attached hereto as Exhibit D and made a part hereof. Supplier will not be permitted to charge Consignor any other fees or charges for the Services unless approved in writing by Consignor. Unless expressly stated otherwise in Exhibit B, Consignor will reimburse Supplier for its reasonable expenses, without markup, that are described as reimbursable in Exhibit B and actually incurred by Supplier or its affiliates or subcontractors in performing the Services. All Charges shall be fixed for the Initial Term. The Charges are subject to adjustment for any Renewal Term, and any such adjustments shall be mutually negotiated and agreed upon by the parties in writing; provided, however, that in the event the parties are unable to reach an agreement with respect to the Charges for any Renewal Term, then neither party shall have an obligation to proceed with the renewal of this Agreement for such Renewal Term, and either party shall have the right to terminate this Agreement without further liability to the other party. The Charges for any additional services Consignor may request Supplier to perform during the Term that are not provided as part of the Services shall be mutually agreed upon in writing by the parties.

3.2 Invoicing and Payment Terms. Supplier will invoice Consignor for the Charges due and owing Supplier that are not otherwise deducted from the proceeds due Consignor from an Auction sale pursuant to Exhibit B on a monthly basis following the provision of the Services relating thereto. Any credits due to Consignor will be applied on the next invoice against amounts due and owing, and upon the expiration or termination of this Agreement will be paid to Consignor within thirty (30) days after the credit accrues. All invoices shall be due and payable to Supplier within thirty (30) days after its receipt by Consignor (other than amounts reasonably disputed in good faith by Consignor in writing and delivered to Supplier within thirty (30) days of Consignor's receipt of such invoice). Payment of an invoice will not constitute an agreement to the content of the invoice. Each of Consignor and Supplier shall have the right to deduct and set off any Past-Due Amounts (as defined below) from any amounts that become due or owing to the other party under this Agreement. For purposes of this Section 3.2, "Past-Due Amounts" shall mean, with respect to either party, any payments or other amounts that are (i) owed by such party or any of its subsidiaries or affiliates under this Agreement, (ii) delinquent by more than thirty (30) days, and (iii) not currently being disputed by such party or its subsidiaries or affiliates, as the case may be, in good faith. Each invoice will be in a form acceptable to the parties, including, if applicable, electronic formats. Each invoice will provide enough detailed information, including identification of Charges that are and are not subject to taxation, to allow the parties to verify all Charges and to satisfy their internal accounting requirements. Supplier shall ensure that the invoice complies with the applicable tax legislation. All invoices will be sent to Consignor at the following address:

Madison County
PO Box 608
Canton, MS 39046
601-855-5502 administrator@madison-co.com

3.3 Taxes. Consignor will reimburse Supplier for all sales, use, excise, value-added, products, consumption and other similar taxes or duties that Supplier is permitted or required to collect from Consignor under the laws, statutes, rules, codes, directives, regulations and ordinances (collectively, "**Laws**") of the jurisdiction where the Services are performed. Each party will be responsible for taxes based on its own net income, employment taxes with respect to its own employees, and for taxes on any property it owns or leases. Supplier will be responsible for all other taxes. Supplier will be responsible for remitting applicable taxes on a timely basis. If Supplier should collect any tax from Consignor and it is later held that that tax was not due, Supplier will refund the amount paid to Consignor, together with all related interest.

3.4 Liens. Supplier will not file, and will not permit any of its subcontractors acting on its behalf to file, any mechanic's or materialman's liens, retention rights, security rights, or any security interests to secure payment under this Agreement. If any such liens, rights or interests arise, Supplier will promptly remove them at its cost.

4. REPRESENTATIONS AND WARRANTIES.

4.1 Authority. Each party represents and warrants that it is a corporation or other entity duly incorporated or organized, validly existing, and in good standing under the laws of the state of its incorporation or organization. Each party represents and warrants that it has: (i) all requisite legal and corporate power to execute and deliver this Agreement on behalf of itself and its subsidiaries and affiliates, (ii) taken all corporate action necessary for the authorization, execution and delivery of this Agreement, (iii) no agreement or understanding with any third party that interferes with or will interfere with its performance of its obligations under this Agreement, (iv) obtained and will maintain all rights, approvals and consents necessary to perform its obligations and grant all rights and licenses granted under this Agreement, and (v) taken all action required to make this Agreement a legal, valid and binding obligation of it, enforceable against it in accordance with its terms.

4.2 Services Warranty. Supplier represents and warrants that it will perform the Services: (i) in a good, timely, efficient, professional and workmanlike manner, (ii) using its or its subsidiaries' and affiliates', including, but not limited to, its Affiliates', subcontractors, employees, agents or other third parties acting on its behalf (collectively, "**Supplier Personnel**") who are familiar with the technology, processes and procedures to be used to deliver the Services, (iii) with at least the degrees of accuracy, quality, efficiency, completeness, timeliness, and responsiveness as are equal to or higher than the accepted industry standards applicable to the performance of the same or similar services, and (iv) in compliance and in accordance with the provisions of this Agreement. If Supplier breaches this warranty, Supplier will promptly correct or cause the correction of the deficiencies giving rise to the breach without charge. If any breach prevents or substantially interferes with Consignor's ability to conduct its business, Supplier will use all commercially reasonable efforts to correct the deficiency within twenty-four (24) hours after Supplier learns of the deficiency.

4.3 Sales through Auction; No Private Sales. Supplier represents and warrants that (i) the Vehicles subject to this Agreement will not be sold by Supplier or any Auction Site at a less than commercially reasonable sale, and (ii) all Vehicles subject to this Agreement will only be offered for sale by Supplier at Auction (unless otherwise agreed upon by the parties in writing).

4.4 Compliance with Laws. Each party represents and warrants to the other party that as of the Effective Date and during the Term of this Agreement, it will (i) obtain and maintain all applicable licenses and permits necessary for the conduct of its business and the performance of its obligations under this Agreement, including, in the case of Consignor, all licenses and permits necessary for it to have Vehicles sold at Auction and receive the proceeds thereof, without payment of state retail sales tax, and (ii) comply with all applicable Laws relating to the conduct of its business as it relates to the performance of its obligations under this Agreement, including, without limitation, Laws relating to environmental matters, hiring, wages, hours and conditions of employment, discrimination, occupational health or safety, and motor vehicle safety, and, in the case of Supplier, Laws relating to a review of a prospective purchaser's credit history.

4.4.1 Federally Required Language. Unless this Agreement is exempt from Executive Order 11246, under the rules and regulations of the Secretary of Labor (41 C.F.R. § 60), Supplier agrees that during the performance of this Agreement, it will fully comply with the provisions of the equal opportunity clause as set forth in Section 202 of Executive Order 11246 and 41 C.F.R. § 60 1.4(a)(1-7), which provisions are hereby incorporated by reference and made a part of this Agreement. During the performance of this Agreement, Supplier also agrees that it will fully comply with the applicable equal opportunity provisions of the Rehabilitation Act of 1973, as amended, and applicable regulations, 41 C.F.R. § 60 741, et seq., and the Vietnam Era Veterans Readjustment Act of 1974, as amended, and applicable regulations, 41 C.F.R. § 60 2.50, et seq., which are hereby incorporated by reference and made a part of this Agreement. Supplier certifies that it does not and will not maintain or provide for its employees any facilities that are segregated by race, color, religion, or national origin or permit its employees to perform any services at any location, under its control, where segregated facilities are maintained, and Supplier will obtain a similar certification for all nonexempt subcontractors, as required by 41 C.F.R. § 60-1.8. Supplier and its subcontractors shall abide by the requirements of 41 CFR 60-300.5(a) prohibiting discrimination against qualified protected veterans and requiring affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans. Supplier and its subcontractors shall abide by the requirements of 41 CFR 60-741.5(a) prohibiting discrimination against qualified individuals on the basis of disability and requiring affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities. Supplier further agrees that to the extent applicable, including but not limited to, the purposes of promoting small and small disadvantaged businesses, Supplier will fully comply with the requirements of the Small Business Act, 15 U.S.C. Section 631, et seq., and the Office of Procurement Policy Act, 41 U.S.C. Section 423, et seq., as implemented in the Federal Acquisition Regulations found at 48 C.F.R. Part 1, et seq., all of which are hereby incorporated by reference and made part of this Agreement. Supplier shall provide Madison County with information, as requested by Consignor or its affiliates, to support any reporting that Consignor must make pursuant to legal requirements, including information that Consignor needs or otherwise requests in order to comply with reporting requirements of 48 C.F.R. 53.219 concerning small, small disadvantaged, and women-owned small businesses. Notwithstanding the foregoing, Supplier shall comply with the regulations identified in 48 CFR 52.244-6, all of which are

incorporated herein by reference. Supplier shall ensure that any subcontractors do the same. In addition, Supplier shall, if applicable, comply with the Fair Labor Standards Act of 1938 (particularly Sections 6, 7 and 12 thereof), as amended; the Social Security Act, as amended; and federal and state unemployment tax laws.

5 INDEMNIFICATION

- 5.1 Consignor Indemnities.** Consignor shall indemnify, defend and hold harmless Supplier, its subsidiaries and affiliates, and their respective directors, officers, employees, agents, successors and assigns (collectively, "**Supplier Indemnitees**"), from and against any and all losses, liabilities, damages (including taxes), and all related costs and expenses, including reasonable legal fees and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties (collectively, "**Losses**"), and threatened Losses, arising from or relating to third party claims, demands, actions or threats of action (whether in law, equity or in an alternative proceeding) (collectively, "**Claims**") due to, arising from or relating to (i) any judgments, liens or citations that were placed on a Vehicle prior to its delivery to Supplier, (ii) any actual or alleged defects in a Vehicle's title, (iii) any announcements provided by Consignor to Supplier and published by Supplier in connection with the sale at Auction of a Vehicle, (iv) any inaccuracy of the odometer reading on a Vehicle or an odometer statement, certification or other disclosure for any Vehicle prepared in connection with the sale at Auction of such Vehicle, (v) any breach of this Agreement by Consignor, or (vi) the negligence or willful or reckless acts or omissions of or by Consignor or any of its personnel, provided, however, that Consignor will have no liability to Supplier for any such Losses to the extent caused by the negligence or willful or reckless acts or omissions of or by any Supplier Indemnitee. Supplier assumes no responsibility for the correctness of the odometer reading on any Vehicle.
- 5.2 Supplier Indemnities.** Supplier agrees to indemnify, defend and hold harmless Consignor, its subsidiaries and affiliates, and their respective directors, officers, employees, agents, successors, and assigns (collectively, "**Consignor Indemnitees**"), from any and all Losses, and threatened Losses, arising from or relating to any Claims due to, arising from, or relating to (i) any breach of this Agreement by Supplier; (ii) any contract or commitment entered into by Supplier with any third party that provides goods, materials, or services to Supplier, (iii) the negligence or willful or reckless acts or omissions of or by Supplier, its affiliates, or subsidiaries, or any Supplier Personnel, or (iv) the death or bodily injury of any person or the damage, loss or destruction of any real or tangible personal property caused by Supplier, its affiliates or subsidiaries, or any Supplier Personnel, provided, however, that Supplier will have no liability to Consignor for any such Losses to the extent caused by the negligence or willful or reckless acts or omissions of or by any Consignor Indemnitee.
- 5.3 Procedures.** Promptly after receipt by any person entitled to indemnification under this Agreement of notice of the commencement or threatened commencement of any Claim, such person will notify the indemnifying party of such Claim. No delay or failure to so notify an indemnifying party will relieve it of its indemnification obligations under this Agreement except to the extent that such party has suffered actual prejudice by such delay or failure. Any person entitled to indemnification under this Agreement will be entitled to employ counsel at its own expense to participate in (but not control) the

handling of a Claim. No settlement or compromise that imposes any liability or obligation on the indemnified party will be made without its prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

6. LIMITATIONS OF LIABILITY.

6.1 Exclusion of Consequential Damages. Except as otherwise provided in this Agreement, under no circumstances will any party have any liability to the other party for any consequential, exemplary, incidental, indirect, or special damages regardless of the form of action or the theory of recovery, even if the party from which damages are being sought has been advised of the possibility of such damages. Neither party will be liable for any third party claims against the other party other than as expressly provided in this Agreement.

6.2 Liabilities Not Limited. Notwithstanding anything contained in this Agreement to the contrary, no limitations of liability, disclaimers, or waivers of any damages set forth herein will apply to Losses or obligations arising in connection with (i) a party's breach of its confidentiality obligations, (ii) the death or bodily injury of any person or the damage, loss, or destruction of any real or tangible personal property caused by the negligence or willful or reckless acts or omissions of or by a party, or (iii) a party's indemnification obligations hereunder.

7. INSURANCE.

7.1 General. Supplier will procure and maintain in effect, at its own expense, insurance (which must be primary over all other insurance maintained by Consignor) of the types and with respective limits of not less than the minimum amounts set forth in Section 7.2 issued by companies having an A.M. Best financial rating of "A-" or better. All such insurance shall name Consignor and its subsidiaries and affiliates as additional insureds, where applicable, and Supplier shall provide Consignor with written notice of any material change or cancellation of such insurance. Certificates of insurance evidencing the insurance required hereunder shall be furnished to Consignor in advance of or concurrent with the execution of this Agreement and thereafter upon the written request of Consignor. Any approval by Consignor of any of Supplier's insurance policies (or failure to object to a late certificate) will not relieve Supplier of any obligation contained in this Agreement, nor will the procurement, maintenance, or limits of coverage set forth in Section 7.2 relieve Supplier of liability for loss or damage in excess of the limits specified in Section 7.2. If Supplier fails to maintain such insurance, the amount of the required insurance will be added to any limit on Supplier's liability.

7.2 Insurance Requirements and Limits. Supplier shall provide: (i) Commercial General Liability insurance, including premises/operations, contractual, personal injury, and products/completed operations liabilities coverage, and with limits of not less than \$1,000,000 per occurrence, \$2,000,000 aggregate (products/completed operations), and \$2,000,000 general aggregate, (ii) Motor Vehicle Liability insurance for owned, non-owned and hired vehicles, with limits of not less than \$1,000,000 per person, \$1,000,000 per accident, and \$2,000,000 annual aggregate, (iii) Workers' Compensation insurance, including coverage for all costs, benefits, and liabilities under Workers' Compensation and similar laws which may accrue in favor of any person employed by Supplier, for all states in which the Services to be performed are

located, and containing a waiver of subrogation in favor of Consignor unless such waivers are not allowed in the jurisdictions where the Services are performed, (iv) Employer's Liability insurance with limits of liability of not less than \$100,000 per accident or disease (each employee) and \$1,000,000 aggregate by disease containing a waiver of subrogation in favor of Consignor unless such waivers are not allowed in the jurisdictions where the Services are performed, (v) Garagekeeper's Legal Liability insurance (Comprehensive and Collision) with a limit of not less than \$1 million for each location where the Services are to be performed, (vi) Fidelity Bond or Criminal insurance covering employee dishonesty with limits of not less than \$2,000,000 per loss and naming Consignor as a loss payee, and (vii) Umbrella/Excess Liability insurance with minimum limits of \$4,000,000 each occurrence and aggregate.

8. TERMINATION.

- 8.1 Termination for Convenience by Consignor.** Consignor may terminate this Agreement for convenience at any time, for any reason or no reason, without the imposition of a penalty, on at least thirty (30) days prior written notice of the termination date.
- 8.2 Termination for Cause.** Either party may terminate this Agreement for cause as of the date specified in a notice of termination, if the other party breaches any material obligation under this Agreement and does not cure such breach (if capable of being cured) within thirty (30) days after receiving written notice of such breach.
- 8.3 Termination for Financial Insecurity.** Either party may terminate this Agreement for cause as of the date specified in a termination notice if the other party: (a) files for bankruptcy, (b) is declared insolvent by a court of competent jurisdiction, (c) is the subject of any proceedings (not dismissed within thirty (30) days) related to its liquidation, insolvency or the appointment of a receiver or similar officer for that party, (d) makes an assignment for the benefit of all or substantially all of its creditors, (e) takes any corporate action for its winding-up, dissolution or administration (other than any administrative dissolution that is promptly cured), or (f) enters into an agreement for the extension or readjustment of substantially all of its obligations. Each party will promptly notify the other party of any actual or threatened occurrence of any event described in this Section 8.3 or any other event that will have, or can reasonably be expected to have, a material adverse effect on such party's ability to perform fully the Services or its obligations under this Agreement.
- 8.4 Amounts Payable.** Upon any termination, Consignor will be liable for all amounts properly payable to Supplier as of the effective date of termination for Services provided prior to such date, and will receive a credit or refund of all amounts paid in advance for Services not yet provided by Supplier as of such date. Following its receipt of such amounts, Supplier will release all Vehicles that are the subject of this Agreement to Consignor during normal business hours at a time mutually agreed upon by the parties.
- 8.5 Survivability.** After this Agreement terminates, the provisions that expressly or by their nature contemplate performance or observance after they terminate will survive and continue in full force and effect with respect to any Services provided prior to the effective date of termination, including, but not limited to, the provisions protecting

Confidential Information or other data (for such period as is set forth in Article 9), permitting audits, requiring indemnification, and setting forth limitations of liability.

9. CONFIDENTIAL INFORMATION.

9.1 Definition. Each party has made and will continue to make available to the other party information that is not generally known to the public and at the time of disclosure is identified as, or would reasonably be understood by the receiving party to be, proprietary or confidential information of the disclosing party ("**Confidential Information**"). Information will be deemed Confidential Information of a party, whether disclosed in written, electronic, oral, visual or other form, if (i) such information is disclosed by a party in connection with this Agreement or any transaction arising or contemplated hereunder, and (ii) at the time of such disclosure the receiving party is informed, or should reasonably understand, it to be proprietary or confidential, or it is marked or designated as "confidential" or with similar language. In addition, Confidential Information includes information regarding a party and its subsidiaries and affiliates that may be disclosed in connection with this Agreement or any transaction arising or contemplated hereunder: (i) business plans, strategies, forecasts, projects, and analyses, (ii) finances and pricing structures, (iii) business processes, methods, and models, (iv) employees, customers, and suppliers (including information of third parties that a party's or any of its subsidiaries or affiliates is obligated to maintain in confidence), (v) hardware and system designs, architectures, structure, and protocols, (vi) product and service specifications, (vii) manufacturing, purchasing, logistics, sales, and marketing activities, and (viii) the terms of this Agreement.

9.2 Non-Disclosure Covenant. The receiving party will use the same care and discretion to avoid disclosure, publication, or dissemination of any Confidential Information received from the disclosing party as the receiving party uses with its own similar information that it does not wish to disclose, publish or disseminate, but in no event less than a reasonable degree of care. The receiving party will use the disclosing party's Confidential Information only for the sole purpose of meeting its obligations or exercising its rights under this Agreement. The receiving party may disclose the disclosing party's Confidential Information to any subsidiary or affiliate and their respective employees, subcontractors, agents, and other third parties acting on the receiving party's behalf that have a need to know and are obligated to maintain the confidentiality of the disclosing party's Confidential Information upon terms at least as restrictive as those set forth in this Article 9, which terms in the case of subcontractors, agents, and other such third parties shall be evidenced by a written agreement with the receiving party prior to the disclosure of the disclosing party's Confidential Information. The receiving party will promptly report to the disclosing party any breaches in security that may materially affect the disclosing party and will specify the corrective action to be taken. The receiving party will be liable to the disclosing party for any unauthorized disclosure or use of Confidential Information by any of its employees, agents, subcontractors, or other third parties acting on the receiving party's behalf. The confidentiality obligations of the parties under this Article 9 shall survive any termination or expiration of this Agreement for (i) so long as the applicable Confidential Information is required by law to be treated as confidential by the receiving party, in the case of any trade secrets and any NPPI (as defined in Section 10.1 below), and (ii) a period of two (2) years from the effective date of such termination or expiration, in the case of all other Confidential Information.

- 9.3 Exceptions to Confidential Treatment.** Confidential Information does not include any information which: (i) the receiving party possessed prior to disclosure by the disclosing party, without an obligation of confidentiality, (ii) is or becomes publicly available without breach of this Agreement by the receiving party, other than nonpublic customer or employee information, (iii) is or was independently developed by the receiving party without the use of any Confidential Information of the disclosing party, or (iv) is or was received by the receiving party from a third party that does not have an obligation of confidentiality to the disclosing party or its subsidiaries or affiliates. Either party may also disclose the terms of this Agreement to potential parties to acquisition, divestiture, or similar transactions to facilitate due diligence and the closing of the transaction, provided, however, that such parties are subject to a written agreement with terms substantially similar to those set forth in this Article 9 and containing limitations on their use only for the prospective or closed transaction and an obligation to use commercially reasonable efforts to limit the extent of the disclosure.
- 9.4 Legal or Regulatory Proceeding.** If the receiving party is legally required to disclose any Confidential Information of the disclosing party in connection with any legal or regulatory proceeding, the receiving party will, if lawfully permitted to do so, endeavor to notify the disclosing party within a reasonable period of time prior to disclosure and to allow the disclosing party a reasonable opportunity to seek appropriate protective measures or other remedies prior to disclosure and/or waive compliance with the terms of this Agreement. If these protective measures or other remedies are not obtained, or the disclosing party waives compliance with the terms of this Agreement, the receiving party may disclose only that portion of that Confidential Information that it is, according to the opinion of counsel, legally required to disclose and will exercise all reasonable efforts to obtain assurance that confidential treatment will be accorded to that Confidential Information.
- 9.5 Immediate Injunctive Relief.** The receiving party acknowledges that the disclosing party may be irreparably harmed if the receiving party breaches (or attempts or threatens to breach) its obligations under this Article 9. If a court of competent jurisdiction finds that the receiving party has breached (or attempted or threatened to breach) any of those obligations, the disclosing party may seek any injunctive relief that may be available at law or in equity without having to post any bond or other form of security.
- 9.6 Return or Destruction.** The receiving party will return or destroy any of the disclosing party's Confidential Information (i) within thirty (30) days after its receipt of a request from the disclosing party, or (ii) upon the termination or expiration of this Agreement. Upon request, the receiving party will provide the disclosing party with a certificate, signed by an authorized representative, certifying that all of the disclosing party's Confidential Information has been returned or destroyed.
- 10. PRIVACY PROVISIONS.**
- 10.1 Compliance with Privacy Regulations.** In providing the Services, the parties may receive non-public personal information ("NPPI") from or relating to Consignor's customers. For purposes of this Agreement, NPPI may include personally identifiable financial information or a list, description, or other grouping of customers (including publicly available information pertaining to them) that is derived using any personally

identifiable financial information that is not publicly available and shall be considered Confidential Information. The parties are subject to all applicable Laws restricting the collection, use, disclosure, processing, and free movement of personally identifiable information (collectively, "**Privacy Regulations**"). The Privacy Regulations include (i) the Federal "Privacy of Consumer Financial Information" Regulation (12 CFR Part 30), as amended from time to time, issued pursuant to Section 504 of the Gramm-Leach-Bliley Act of 1999 (15 U.S.C. §6801, et seq.), (ii) the Health and Insurance Portability and Accountability Act of 1996 (42 U.S.C. §1320d), (iii) the federal Fair Credit Reporting Act 15 U.S.C. §§1681 et. seq., (iv) the Massachusetts Standards for the Protection of Personal Information of Residents of the Commonwealth, 201 C.M.R. §§17.00 et. seq., and (vi) other applicable federal, state, local, and provincial laws, rules, regulations, and orders relating to the privacy and security of Personal Information. Consignor may provide guidelines to help Supplier comply with the Privacy Regulations, but Supplier, using its own legal advisors, remains fully responsible for interpreting and complying with the Privacy Regulations with respect to Supplier's business.

10.2 Notification of Security Breach. Supplier will immediately notify Consignor of any actual or threatened security breach in Supplier's computer systems that may result in the unauthorized access to or disclosure of any NPPI received from Consignor. Supplier will cooperate fully with Consignor to investigate any such security breach in Supplier's computer systems and report the results to any applicable governmental or regulatory authority to the extent required by law.

10.3 Compliance with Red Flag Rules. Supplier acknowledges that it has implemented an identity theft prevention program designed to comply with the red flag rules promulgated by the Federal Trade Commission and various other government agencies under the Fair and Accurate Credit Transactions Act of 2003 (the "**Red Flag Rules**"). To the extent the Red Flag Rules apply to the Services being provided hereunder, Supplier will maintain such program to identify and respond to patterns, practices, and specific activities that may indicate the possible existence of identity theft that arise in the operation of Supplier's business, and shall take reasonable and appropriate steps to prevent or mitigate identity theft.

11. PERFORMANCE METRICS.

11.1 Service Levels. Supplier will at all times perform its obligations to meet or exceed the required service levels set forth in Exhibit B attached hereto and as may be agreed to in writing from time to time during the Term by the parties (collectively, "**Service Levels**"). If Supplier fails to perform in accordance with the applicable Service Levels, in addition to its other obligations under this Agreement, Supplier will (i) promptly investigate the root causes of the failure, (ii) use reasonable skill and care to resolve the root cause of the problem as soon as practicable (regardless of cause or fault), (iii) advise Consignor of the status at appropriate times, and (iv) certify to Consignor that all reasonable action has been taken to prevent any recurrence of the failure. Consignor and Supplier will, to the extent mutually agreed upon, (i) increase the Service Levels from time to time during the Term of this Agreement to reflect improved performance capabilities associated with advances in applicable processes, technologies and methods, (ii) add new Service Levels to permit further measurement or monitoring of Supplier's performance, (iii) modify or increase the Service Levels to reflect changes in the processes, standards, strategies, needs, or objectives defined

by Consignor, and (iv) modify or increase the Service Levels to reflect agreed upon changes in the manner in which Supplier is to perform its obligations.

12. RECORDS AND AUDITS.

12.1 Records. During the Term of this Agreement and for a period of three (3) years thereafter, Supplier will maintain, and will cause its subsidiaries and affiliates, including, but not limited to, its Affiliates, performing any component of the Services to maintain, complete and accurate books and records of all transactions that relate to the performance of the Services in connection with the Vehicles (collectively, "Supplier's Records").

12.2 Audits. Upon Consignor's written request with reasonable notice, Supplier will permit audits of Supplier and its subsidiaries and affiliates, including, but not limited to, its Affiliates, performing any material component of the Services by Consignor's employees and internal and/or external auditors to verify Supplier's Records. Supplier will fully cooperate, and will cause its subsidiaries and affiliates, including, but not limited to, its Affiliates to fully cooperate, with each audit, including by granting reasonable access to Supplier's Records, facilities, and Personnel related to the Supplier's Records, in each case during normal business hours and in a manner that does not unreasonably interfere with Supplier's business. If an audit detects an overcharge in excess of ten percent (10%) of the total amounts charged to Consignor by Supplier during the period being audited by Consignor (and such audit results are verified, confirmed or otherwise agreed to by Supplier), Supplier will reimburse Consignor for the overcharge along with its reasonable out-of-pocket cost of performing the audit, and will use its best efforts to correct such failure within thirty (30) days after it learns thereof.

12.3 Financial Information. Supplier authorizes Consignor, or its employees or agents, to make a credit investigation and to inquire of and acquire information from any institution with which Supplier has or had financial dealings or any former or current creditors or other appropriate third parties concerning Supplier's credit history, including, but not limited to, information about account experience and account performance. Notwithstanding the foregoing, nothing in this Section 12.3 shall authorize Consignor to disclose any Confidential Information in connection with any credit inquiry hereunder.

13. MISCELLANEOUS.

13.1 Independent Contractors. Supplier and Consignor will at all times be independent contractors. Except as expressly provided in the Power of Attorney, neither party will have any right, power or authority to enter into any agreement for or on behalf of, or to assume or incur any obligation or liabilities, express or implied, on behalf of or in the name of, the other party. This Agreement will not be interpreted or construed to create an association, joint venture or partnership between the parties or to impose any partnership obligation or liability upon either party. Except as may otherwise be set forth in Exhibit B, each party's employees, methods, facilities, and equipment will at all times be under its exclusive direction and control. None of Supplier Personnel performing work under this Agreement shall be considered employees of Consignor. Supplier and its subcontractors, as the case may be, shall be responsible for paying any withholding or other employment related taxes or other financial or other

obligations with respect to any employees, agents, or other third parties acting on their behalf.

13.2 Subcontractors. Supplier shall have the right to subcontract any Services under this Agreement, provided that (i) Supplier shall remain primary liable to Consignor for any breach of this Agreement, irrespective of whether such breach is caused by Supplier or its subcontractors, (ii) Supplier will notify Consignor of any component of the Services to be performed by subcontractors, along with the identity and qualifications of the subcontractors and the reasons for subcontracting the work in question prior to the subcontractors performing any Services (provided, however, that such notification shall not be required in the case of any performance of Services by a subcontractor where such Services (1) do not represent a material portion of the Services provided to Consignor under this Agreement, (2) are not exclusively dedicated to Consignor (i.e., such Services are provided to Consignor and one (1) or more other customers of Supplier), or (3) do not involve direct interactions or communications between the subcontracted provider of such Services and Consignor), and (iii) any subcontractors will be subject to all applicable obligations of Supplier under this Agreement, including, without limitation, all insurance requirements under this Agreement. If Consignor determines that the continued performance of any component of the Services performed by any subcontractor is not in the best interests of Consignor, Supplier will remove that subcontractor from providing such component of the Services and replace that subcontractor with a subcontractor of suitable ability and qualifications without charge to Consignor. Supplier remains solely responsible and subject to liability for any Supplier subcontractor's failure to perform or abide by the provisions of this Agreement.

13.3 Other Suppliers. This is not an exclusive agreement. Supplier acknowledges that (i) Consignor uses (and reserves the right to continue to use) other suppliers to provide services that are similar or related to those provided under this Agreement, and (ii) Consignor has made no commitment as to the mix or quantity of Vehicles it will designate for consignment to Supplier under this Agreement. Consignor acknowledges that (x) Supplier provides (and reserves the right to continue to provide) other customers with services that are similar or related to those provided to Consignor under this Agreement, and (y) Supplier has made no commitment as to the number of Vehicles for which it will ultimately provide Services under this Agreement.

13.4 Force Majeure. Neither party shall be liable for any failure or delay in the performance of its obligations under this Agreement (other than its payment obligations) to the extent such failure or delay (i) is caused, without fault of the non-performing party, by fire, flood, earthquake, elements of nature, or acts of G-d; acts of war, riots, civil disorders, rebellions or revolutions, quarantines, embargoes, and other similar governmental action; or any other similar cause beyond the reasonable control of such party, and (ii) could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, work-around plans or other means (collectively, "**Force Majeure Events**"). Upon the occurrence of a Force Majeure Event, the non-performing party shall be excused from its non-performance or observance of the affected obligation(s) for as long as such circumstances prevail, provided it (i) promptly notifies the other party of such event, (ii) provides the other party a detailed description of the non-performance or delay that it will cause, (iii) uses commercially reasonable efforts to perform despite such event, and (iv) continues to attempt to recommence performance whenever and

to whatever extent possible without delay. Following its receipt of any such notice, Consignor will have the right to (i) acquire all or part of the Services from others on such terms and in such manner as Consignor may deem appropriate, without liability to Supplier, for so long as Supplier is unable to satisfy its obligations to Consignor, and/or (ii) terminate this Agreement in whole or with respect to any Auction Site affected thereby if the non-performance or delay continues for a period of thirty (30) days or more by giving Supplier written notice of termination.

13.5 Use of Trademarks. Neither party shall use or display, or permit the use or display of any signs, symbols, trademarks, service marks, slogans, or logos owned by or licensed for use by the other party or any subsidiary or affiliate of that party, except when approved by and in a manner specifically authorized in writing by the other party, and shall cease any such use or display immediately upon the other party's request or upon termination of this Agreement, whichever occurs first.

13.6 No Third Party Beneficiaries. Each party acknowledges and agrees that no third party will be deemed to be an intended or unintended third party beneficiary of this Agreement.

13.7 Publicity. Neither party will, without the other party's prior written consent, (i) use the name, trademark, service mark, trade dress, logo or other identifying marks of the other party in any sales, marketing or publicity activities or materials, or (ii) issue any press release, interviews or other public statement regarding this Agreement or the parties' relationship.

13.8 Notices. All notices, demands, or other communications required to be given hereunder shall be in writing, and will be deemed given when personally delivered, sent by registered or certified mail, return receipt requested with postage prepaid, sent by e-mail transmission with an electronically confirmable means of delivery, or sent by commonly recognized overnight courier service to the party to whom the notice, demand or communication is directed addressed as set forth below:

If to Consignor: Madison County
2941 Hwy 51
Canton MS 39501
Attn: Shelton Vance
Phone: 601-855-5102
Email:

If to Supplier: Dealers Auto Auction Group, LLC
5000 Meridian Boulevard, Suite 700
Franklin, TN 37068
With copy to dandrews@cityllc.com gem@cityauto.com
and evan@cityllc.com

All notices personally delivered shall be deemed effectively given on the date of delivery. All notices sent by mail shall be deemed effectively given on the third business day following the date of mailing. All notices sent by e-mail shall be deemed received on the date transmitted with electronic confirmation of delivery. All notices sent by recognized overnight delivery shall be deemed effectively given on the date delivered. The address to which such notices, demands or other communications are

to be given by either party may be changed by written notice given by such party to the other party pursuant to this Section 13.8.

13.9 Rights and Remedies Cumulative. All rights and remedies provided for in this Agreement will be cumulative and in addition to, and not in lieu of, any other remedies available to either party at law, in equity or otherwise. If a party has a choice of one action "or" another action, then the party may take both of those actions.

13.10 Electronic Communications. Electronic communications will be (i) considered "written" or "in writing" for purposes of this Agreement provided the information transmitted is in an agreed upon format under an agreed upon protocol, and (ii) treated as signed writings and original records, except where this Agreement expressly requires a manual signature or a party's written consent or agreement, in which case, the written consent or agreement must include a manual signature. For purposes of this agreement, the agreement is "signed" or "executed" if it includes a symbol or action that is adopted or performed by the signer with the present intent to authenticate, manifest acceptance of, or assent to the agreement (an "E-Signature") consistent with the Electronic Signatures in Global and National Commerce Act (ESIGN) of 2000. If an E-signature is affixed below through the use of an E-signature application, it shall be deemed to be an original signature as if handwritten below and no certification authority or other third party verification is necessary to validate the E-Signature of any party or any agreement between the parties resulting from an E-Signature.

13.11 Modification. No supplement, alteration, amendment, modification or change of this Agreement will be valid or binding unless in writing and signed (not in electronic form) by authorized representatives of the parties. Purchase orders generated by Consignor under this Agreement will be treated as part of that this Agreement for purposes hereof. If the terms and conditions of this Agreement or a purchase order conflict, the terms and conditions of this Agreement will prevail. No provisions and conditions on proposals, quotations, invoices, order acknowledgements, sales confirmations, delivery receipts, packing slips, or other documents provided by either party (including any purchase order provided by Consignor), in writing, electronically or otherwise, will have any force or effect between the parties, even if the receiving party signs or accepts such documents.

13.12 Waiver. The failure of either party to enforce strict performance by the other party of any provision of this Agreement or to exercise any right under this Agreement will not be construed as a waiver to any extent of that party's right to assert or rely upon any provision of this Agreement or right in that or any other instance. A delay or omission by a party to exercise any right or power under this Agreement will not be construed to be a waiver of that right or power. Waiving one breach will not be construed to waive any succeeding breach. All waivers must be in writing and signed by an officer of the party waiving rights.

13.13 Assignment. This Agreement may not be assigned by either party without the express written consent of the other party, provided, however, that either party may assign this Agreement, or any of its rights hereunder or thereunder, in whole or in part, without the other party's consent to a subsidiary or affiliate or a surviving entity in the case of a merger, acquisition, divestiture, consolidation or corporate reorganization (whether or not the contracting party is the surviving entity). Any purported assignment

without said consent shall be null and void without any legal force or effect whatsoever. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the parties, their successors, and permitted assigns.

13.14 Severability. If any provision of this Agreement conflicts with the law under which this Agreement is to be construed or if any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, that provision will be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable law. The remaining provisions of this Agreement and the application of the challenged provision to persons or circumstances other than those as to which it is invalid or unenforceable will not be affected thereby, and each of those provisions will be valid and enforceable to the full extent permitted by law.

13.15 Interpretation. Each party acknowledges that this Agreement should not be construed in favor of or against any party by reason of the extent to which any party or its professional advisors participated in the preparation of this Agreement. Time is of the essence with respect to the performance of Supplier's obligations under this Agreement. The headings in this Agreement are for convenience of reference only. They are not to affect the interpretation of this Agreement.

13.16 Governing Law. This Agreement will be governed by and construed in accordance with the applicable laws of the State of Mississippi, without giving effect to the principles of that State relating to conflicts of laws. Each party irrevocably agrees that any legal action, suit or proceeding brought by it in any way arising out of this Agreement must be brought solely and exclusively in, and shall be subject to the service of process and other applicable procedural rules of, the state or Federal courts located within the jurisdiction of the federal Northern District Court for Mississippi and each party irrevocably submits to the sole and exclusive personal jurisdiction of the state and Federal courts located within the jurisdiction of the US. District Court for the Northern District of Mississippi, generally and unconditionally, with respect to any action, suit or proceeding brought by it or against it by the other party. Notwithstanding the foregoing, claims for equitable relief may be brought in any court with proper jurisdiction within the United States.

13.17 PRESERVATION OF Jury Trial. THE PARTIES CHOOSE TO PRESERVE THE RIGHT FOR A JURY TO PARTICIPATE IN THE RESOLUTION OF ANY COMMERCIAL DISPUTES.

13.18 Counterparts. This Agreement may be executed in two counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument. A facsimile or e-mail transmission of a portable document format version of this Agreement executed by a party shall be deemed to be an original.

13.19 Entire Agreement. This Agreement, including the Exhibits attached hereto (which are hereby incorporated into this Agreement by reference) constitutes the entire agreement of the parties, superseding all prior agreements and understandings as to the subject matter hereof, notwithstanding any oral representations or statements to the contrary heretofore made.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date by their duly authorized representatives.

CONSIGNOR: Madison County, a governmental division of the State of Mississippi BY: _____ Its: _____ Date: _____	SUPPLIER: DEALERS AUTO AUCTION GROUP, LLC BY: _____ David Andrews, CEO Date: _____
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EXHIBIT A
AFFILIATES
AND AUCTION SITES

Dealers Auto Auction of Memphis, LLC:

2560 Rental Road, Memphis, TN 38118 • Phone: (901) 480-4250 Fax: (901) 345-5384

Dealers Auto Auction of Huntsville, LLC:

26125 US Highway 72, Huntsville, AL 35613 • Phone: (256) 232-0201 Fax: (256) 232-8822

Dealers Auto Auction of Murfreesboro, LLC:

1815 Old Fort Parkway, Murfreesboro, TN 37129 Phone: (615) 217-2848 Fax: (615) 217-6994

Dealers Auto Auction of Mobile, LLC:

3030 McVay Drive North, Mobile, AL 36606 • Phone: (251) 338-7653 Fax: (251) 338-1687

Dealers Auto Auction of Chattanooga, LLC:

2120 Stein Drive, Chattanooga, TN 37421 • Phone: (423) 499-0015 Fax: (423) 499-0304

Dealers Auto Auction of Jackson, LLC:

1657 Old Whitfield Road, Pearl, MS 39208 Phone: (601) 956-2700

Fax: (601) 956-8162

EXHIBIT B

DESCRIPTION OF SERVICES

1. **Consignment Acknowledgement.** Consignor shall transmit Consignment files for Vehicles to Supplier via the Consignment System on a daily basis, and Supplier shall acknowledge the receipt of such files in writing within twenty-four (24) hours of receipt.
2. **Transportation.** Supplier is responsible for all transportation related Services with respect to the Vehicles.

2.1. Vehicle Pick-up. Vehicles shall be picked up no later than four (4) business days following the day of Consignment. In the event a Vehicle cannot be picked up within this period, Supplier must promptly notify Consignor and provide, in writing, the reason why the Vehicle cannot be picked up within the timeframe, and the date the Vehicle will be picked up. Supplier shall use commercially reasonable efforts to resolve all problem pickups in a timely manner.

2.2 Use of Transporters

2.2.1 Transport Check List. Supplier requires contracted transporters to issue a complete delivery check list ("**Transport Checklist**"), upon delivery of a Vehicle to Supplier. The Transport Checklist must identify, without limitation, the presence and condition of the spare tire, the Vehicle's keys, navigation CDs, maintenance books, headrests, and wheels and tires.

2.2.3 Transportation Charges. All transportation charges are to be deducted from the auction sale proceeds received in accordance with Section 4.11 below.

3. Vehicle Check-in.

3.1 Auction Stock Number. Immediately upon delivery of a Vehicle, Supplier shall check in the Vehicle and enter an auction stock number ("**Auction Stock Number**") into the Consignment System.

3.2 Certificate of Title and Registration. Consignor will forward to Supplier the certificate of title and/or registration for each delivered Vehicle, together with any other documents necessary to effect a transfer upon its sale at Auction. If a Consignor representative will not attend the sale, all documents necessary to effect a transfer upon sale shall be endorsed as required, prior to their being forwarded to Supplier. If a Consignor representative does attend the sale, endorsement of documents necessary to effect transfer upon sale may be accomplished by the representative on the day of the sale. Consignor agrees to provide a completed Federal Odometer Disclosure Statement (and any other certifications required by law to be provided or otherwise reasonably requested by Supplier, including any casualty related disclosures) along with a title document for each Vehicle being sold. If for any reason

Consignor is unable to complete the Federal Odometer Disclosure Statement or any other such certification, at Consignor's request, Supplier may execute the Federal Odometer Disclosure Statement or such other certification for Consignor, provided Consignor has provided Supplier with a Power of Attorney indicating that Supplier is authorized to execute the Federal Odometer Disclosure Statement or such other certification, as the case may be. Supplier agrees that it will not deliver, endorse, or otherwise part with the possession of the documents necessary to effect a transfer of a Vehicle upon its sale at Auction except to the purchaser of the Vehicle after the sale and Supplier's receipt of payment in accordance with Supplier's procedures relating thereto. Upon receipt of a certificate of title and/or registration, Supplier shall mark the title or registration as received and record the receipt date into the Consignment System within one (1) business day of receipt.

3.3 Check-In Condition Report. Supplier must complete a thorough Vehicle inspection and prepare a condition report ("**Condition Report**") for each Vehicle and deliver the Condition Report to Consignor within two (2) days of check in. The Contents of the Condition Report shall include, at a minimum:

3.3.1 Photos. Include a minimum of 11 photos as more particularly described in Appendix B. In addition, any single damage incident greater than \$300 needs to be photo imaged.

3.3.2 Identify Body/Paint Work. Identify each instance of previous paint work and/or frame damage according to National Auto Auction Association ("**NAAA**") guidelines.

3.3.3 Test Drive and Major Components. Identify, based on a test drive, any defect in a major component, such as engine, transmission or any other drive train component as well as odometer function, and any major mechanical issues, noises, or instrument panel light warning. **Vehicles are not to be operated if warning lights or mechanical symptoms indicate existing or imminent damage. Damage to a Vehicle resulting from such improper operation will be the responsibility of Supplier.**

3.3.4 Interior. Identify interior and exterior cosmetic defects, damage and deviation from original condition.

3.3.5 Fluids. Include a check of all fluids. If freezing temperatures are forecasted, the freezing temperature of the cooling fluid is to be verified and replaced or filled to manufacturer specifications as necessary.

3.3.6 Missing Keys. Identify missing Vehicle keys ASAP.

3.3.7 Transport Damage. Report all transit damage identified in the Transport Check List.

4. Repairs

4.1 Repair Identification Process and Documentation

4.1.1 Repair Order – Mechanical Issues. Within two (2) days of the completion of the Condition Report, Supplier shall complete and submit to Consignor via the Consignment System a work order (“**Work Order**”) request for each Vehicle identifying all needed repairs (not including any manufacturer warranty repairs) and the associated parts and labor costs associated with those repairs. The prior approval of the Consignor is required before commencing the repairs for a Vehicle.

4.1.2 Repair Order Invoice. Supplier shall itemize the mechanical and reconditioning work actually performed on a Vehicle per the approved Work Order in an invoice and present such invoice to the designated Consignor representative following the completion of such work and prior to the sale at Auction of the Vehicle detailing the amount to be deducted from the proceeds of the Vehicle’s sale in accordance with Section 4.11 below.

4.2 Triage Repairs (for non-running Vehicles)

4.2.1 Triage Repairs – Intent. Triage Repairs are strategic repairs/enhancements (not including any manufacturer warranty repairs) designed to yield incremental sales proceeds at Auction in excess of the cost of repairs by returning a non-running Vehicle to a running condition. If a Vehicle can be repaired by Supplier or the Consignor at an Auction Site within the guidelines set forth in this Section 4.3, the repair should be made.

4.2.2 \$750 Authorization Limitation. If a non-running Vehicle can be repaired to a running condition for \$750 or less, the repairs should be made and Supplier is not required to obtain Consignor authorization. Repairs over \$750 must be authorized in writing by Consignor.

4.2.3 Immobilizer Locked Condition. If a Vehicle is immobilized because of a non-coded key, Supplier will use all keys available. Supplier locations that have been provided tools and training to facilitate mobilization should proceed with unlocking the Vehicle and reprogramming the key code to render the Vehicle operable.

4.3.4 Repossessions. A repossessed Vehicle is to be treated as any other Vehicle with regard to the triage guidelines, except that care must be taken to sell the Vehicle in a commercially reasonable manner, as quickly as feasible.

4.3.6 Condition 0. Condition 0 Vehicles will generally be put in or sent to a salvage auction or run in an inoperative vehicle sale. For purposes of this Section, a “Condition 0” Vehicle is one that is inoperative based on a six point scale of evaluating its overall condition which renders it suitable for dismantling or scrap based on guidelines established by NAAA. If the Vehicle is estimated to have lost fifty percent (50%) of its value because of the damage to it, it should

only be towed through a salvage auction or be scheduled to run in an inoperative vehicle sale.

5. Detailing and Sale Preparation. After completing the Condition Report and submitting any applicable Work Orders, a Complete Detail includes the following:

5.1 Interior. The interior of all Vehicles must be free of garbage and other debris (including all customer documents). The Vehicle must be completely vacuumed and have all components treated with a vinyl cleaner approved by Consignor. The windows must be cleaned and no residual cleaning product left on the Vehicle. Stains on cloth seats are to be treated with industry practice techniques in an effort to remove them. Vehicle interiors are not to be sprayed with high pressure washers and all treated upholstery must be dry.

5.2 Exterior. Vehicles must go through a standard wash process approved by Consignor such that the exterior of each Vehicle, including the doorjamb, is clean and free from tar and other road debris. The Vehicle body, including moldings, must be free of swirls, wax or other compound residue applied during the cleaning process.

5.3 Engine Compartment. The engine compartment is to be washed without damaging any electrical components - Detailing chemicals and cleaners are to be applied sparingly.

5.4 Trunks. Trunks are to be cleaned by vacuuming the interior, spare wheel well and the channels. Trunk vacuuming requires that the spare wheel be removed for vacuuming and properly re-installed.

5.5 Tires and Wheels. Tires and wheels are to be cleaned to remove dirt and brake dust. High pressure power washing must be utilized as needed. Appropriate tire dressing is to be applied on all four (4) tires.

6. Inventory Management

6.1 Storage. Supplier shall provide storage space for all Vehicles designated for consignment until the same are sold at Auction, retaken by Consignor, an Auction Site's services are terminated or Supplier's services are terminated altogether; provided that, upon fifteen (15) days' written notice, Supplier may require Consignor to immediately remove any unsold Vehicles from Supplier's facilities ("**Removal Notice**"). If Consignor fails to remove such Vehicles in accordance with this Section 7, Supplier may charge Consignor storage fees at Supplier's customary rate provided Supplier has advised Consignor of such rate in its Removal Notice.

6.2 Reconciliation and Physical Audits. Supplier's inventory of Vehicles designated for consignment ("**Inventory**") must be reconciled with the Aged Inventory Report generated by the Consignment System on a weekly basis. A physical audit of Inventory may be conducted pursuant to coordination with Consignor.

6.3 Handling and Storing of Vehicles. Supplier will employ generally accepted industry practices in the handling and storing of all Vehicles. As examples of such practices, sunroofs and windows should to be closed; parked units should not have their bumpers touching; if glass is missing, crash wrap should to be applied.

6.4 Supplier Responsible for Damage. Supplier shall be responsible for all Vehicle damage (including missing or lost items) on any Vehicle if such damage is incurred while Vehicle is in Supplier's care, custody, and control.

6.5 Storage Location. All Vehicles are to be organized and stored at an Auction Site in an orderly fashion that enables access to each Vehicle for inspection, including enough space to open doors, the hood, and trunk.

6.6 Storage Sequence. Once a Vehicle has been designated for a specific sale date and run time, all Vehicles in that Sales Block (as defined in Section 4.10.3 below) are stored in run number sequence.

6.7 Inventory Monitoring System. Supplier will ensure that all Vehicle data in its internal inventory monitoring system is current, accurate, and free of duplicate records.

7. Facilities

7.1 General Cleanliness

7.1 Sales Lanes. Supplier's sale lanes are to be clean, brightly lit, and free from obstacles or debris.

7.2 Restrooms. Restrooms should be clean and have sufficient supplies on hand.

7.2 Buyer Parking. Supplier should have sufficient parking for all auction participants on any day Vehicles are sold at Auction.

8. Marketing

8.1 Promotion. Supplier is responsible for promoting each Auction sale consistent with generally accepted industry practices.

8.2 Published Run List. For each Auction sale, Supplier will publish a handout which contains the run list and announcement information.

8.3 Promote Future Sales Events. At Consignor's reasonable request, Supplier will promote future Auction sales by displaying special or unique Consignor branded Vehicles.

9. Vehicle Staging and Auction Procedures

9.1 Pre-Sale Staging; Ready for Inspection. Supplier is required to stage one hundred percent (100%) of the Vehicles in a Sales Block for inspection by a Consignor representative no later than 3:00 PM on the day before the sale.

9.2 Floor Prices. Consignor will provide floor prices to the Supplier on a hard copy of the sales block or electronically, via the Consignment System.

9.3 Sales Block Information. Supplier is to provide, either electronically or hard copy as determined by Consignor, a complete list of all Vehicles scheduled to be offered for sale in an Auction (each, a "Sales Block"), which list shall identify the number of Vehicles in the sale along with the Condition Reports therefor within four (4) business days of each Auction sale. Sales Block information must be accurate and reflect the latest Vehicle pricing, Vehicle description and announcement information. The scheduled sale date will need to be populated with the actual day of the sale at which the Vehicle will run.

9.4 Run Sequence. Vehicles are to be placed into the appropriate sequence when building the Sales Block. Supplier will position higher MSRP / newer model year Vehicles throughout the entire run sequence to encourage dealer participation until the very end while positioning similar Vehicles at the beginning of the sale to set the tone of the pricing.

9.5 Auction Process

9.5.1 General Prohibition of Towing across Sales Block. No Vehicle is to be towed across the Sale Block unless: (a) it cannot be driven safely under its own power, (b) it is deemed by a Consignor representative to be cost prohibitive to repair, and (c) a Consignor representative gives authorization for Supplier to do so.

If a Vehicle had been running but fails to start on sale day, it should not be towed across the Sales Block without an evaluation as to the cause, and evaluated for Triage Repairs in accordance with above.

9.5.2 TOW AS-AS Disclosure. Any Vehicle that is to be towed through the auction sales lanes should have the following note in the announcements and on the windshield: "TOW – AS IS", followed by the major cause of the tow.

9.6 Buy Back Disclosure. Auctioneer will properly announce the title of Buyback Vehicles.

9.7 Auctioneer Duties. Auctioneer is required to announce Run #, Sales Price, and Sales Decision "Sold" or "Not Sold" clearly for the audience to understand.

9.8 Auctioneer Skills. Auctioneers will possess the skills and expertise of someone regularly employed in the position of an auctioneer (each, an "Auctioneer"). An Auctioneer must demonstrate confidence and keep the excitement level high

throughout the sale. An Auctioneer's speech must be clear with a steady and rapid cadence. An Auctioneer must be responsive to the Consignor representative, pace, announcements, and decisions to sell. An Auctioneer must command the respect and trust of the Auction participants, not miss bids, and avoid any appearance of being deceptive.

9.9 Withdrawal of Vehicle. Supplier shall withdraw a Vehicle from the sale if: (i) a Consignor representative withholds approval of the pending bid; or (ii) no bid exceeds the minimum price communicated by Consignor to Supplier as acceptable prior to the sale.

9.10 Sale Final. All sales will be consummated and final when the Auctioneer calls out the purchaser's bid badge number or acknowledges the online participant's final bid and the Sales Block clerk records that sale and all of the specific terms thereof. Supplier may, but is not required to, rely upon audio and/or video recordings for the auction process in the case of a dispute.

9.11 No Sale. If the Vehicle does not sell, the scheduled sale date must be updated to the next scheduled sale date and appear on the Sales Block provided to Consignor prior to such sale.

10. Post Auction Duties

10.1 Electronic Sales File. Supplier will provide Consignor with a complete and accurate electronic Sales File within two (2) business days of the sale.

10.2 Posting Sales Information to Consignment System. Supplier will employ commercially reasonable efforts to post the sale date and sale amount in the Consignment System on the same day as the sale.

10.3 Charges. Supplier is to post all Charges for all Vehicles in a section of the Consignment System that is readable only by Consignor. Prospective purchasers are not to see estimates or actual Charges for any Vehicles.

10.4 Payments. Provided that Supplier has all documents necessary to transfer title of a Vehicle to the prospective purchaser, Supplier shall remit to Consignor via wire transfer the full net amount of the proceeds (sales proceeds less Charges) owing to Consignor along with an itemization of Vehicles sold by identification number and sale prices.

10.5 Paperwork. All sale backup papers must be transmitted to Consignor within seventy-two (72) hours of the sale.

10.6 Duty to Cooperate. Supplier shall provide support to Consignor as and when requested by Consignor for any after sale reporting requirements, including additional repairs.

10.7 Arbitration. Payment of the sales proceeds on any Vehicles subject to arbitration resulting in a gain on sale at Auction must be sent to Consignor via paper check. Any issues or disputes with respect to Vehicles that are subject to arbitration which arise on sale at Auction should be handled by Supplier on the day of sale.

**EXHIBIT C
POWER OF ATTORNEY**

The undersigned, duly empowered representative of Redstone Federal Credit Union, hereby duly appoint Dealers Auto Auction Group, LLC ("DAAG"), located at 5000 Meridian Boulevard, Suite 710, Franklin, TN and its subsidiaries and affiliates shown on Exhibit A attached hereto (collectively, "Affiliates") through its and its Affiliates authorized employees and agents, to act as our ATTORNEY-IN-FACT to sign all papers and documents that may be necessary pertaining to the sale and subsequent title transfer of the vehicles consigned by the undersigned to DAAG or its Affiliates for its auction of the vehicles or pertaining to the purchase of vehicles by the undersigned, including without limitation, any title, title transfer document, reassignment of odometer disclosure statements as required by federal law.

In consideration of DAAG's and its Affiliates agreement to execute such documents on behalf of the undersigned from time to time, the undersigned shall indemnify, defend, and hold harmless DAAG, its Affiliates, and their respective officers, directors, employees, successors, and assigns from and against any and all loss, damages, liability, claims, cause of action, and expenses of whatever kind and nature, arising from the execution by DAAG or its Affiliates or their respective employees or agents of any certificate of title, odometer statement, bill of sale, or other document necessary to transfer ownership of consigned vehicles. Notwithstanding the foregoing, nothing contained herein shall be construed to require the undersigned to indemnify DAAG, its affiliates, or their respective officers, directors, employees, successors, and assigns from any loss resulting from any gross negligence or willful misconduct of DAAG, its Affiliates or their respective employees or agents.

This Power of Attorney shall be effective as of the date of signing hereof on behalf of the undersigned and continue in full force and effect until terminated by the undersigned in its sole discretion.

This Power of Attorney supersedes any previous authorization to act as agent and attorney-in-fact for the undersigned.

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____)
County of _____)

On _____ day of _____, 2018, _____ appeared before me and proved identity and affirmed that she/he was empowered to sign this agreement on behalf of Redstone Federal Credit Union.

Notary Public: _____ Commission Expires: _____

**EXHIBIT D
SCHEDULE OF FEES**

Sale Fee	\$50.00 per unit
Wash and Vac	\$25.00 per unit
De Logo	\$35.00 per body panel
Mechanical Rate	\$45.00 per hour

Appendix A

Appendix B

DESCRIPTION OF REQUIRED PHOTO IMAGES

Required photo images for the Consignor condition report along with descriptions of photos needed: 11 total images.

1. Right Front ¾ view – The photographer is to stand a little to the side of the right front corner and aim at the right front wheel well so he/she sees mostly the side of the car but can also see across the front bumper. The car should fill the picture as much as possible. If possible, the photographer needs to stand as far away from the car as they can, as much as 15 ft away so the image is not distorted. **Note: Hood, Trunk, Doors, etc must be closed and all windows rolled up before taking this picture.**
2. Left Front ¾ view - Photographer is to stand a little to the side of the left front corner and aim at the left front wheel well so he/she sees mostly the side of the car but can also see across the front bumper. The car should fill the picture as much as possible. If possible, the photographer needs to stand as far away from the car as he/she can, as much as 15 ft. away, so the image is not distorted. **Note: Hood, Trunk, Doors, etc. must be closed and all windows rolled up before taking this picture.**
3. Left Rear ¾ view - The photographer is to stand a little to the side of the left rear corner and aim at the left rear wheel well so he/she sees mostly the side of the car but can also see across the rear bumper. The car should fill the picture as much as possible. If possible, the photographer needs to stand as far away from the car as he/she can, as much as 15 ft. away, so the image is not distorted. **Note: Hood, Trunk, Doors, etc. must be closed and all windows rolled up before taking this picture.**
4. Right Rear ¾ view - The photographer is to stand a little to the side of the right rear corner and aim at the right rear wheel well so he/she sees mostly the side of the car but can also see across the rear bumper. The car should fill the picture as much as possible. If possible, the photographer needs to stand as far away from the car as he/she can, as much as 15 ft. away, so the image is not distorted. **Note: Hood, Trunk, Doors, etc. must be closed and all windows rolled up before taking this picture.**
5. Left Front Door Interior photo showing whole dash including radio– Photo is taken from the driver's side only. The angle should be looking straight into the vehicle slightly angling towards the dash. The image should clearly show both front seats, floorboard, center console, radio, and the inside of passenger door and window. The image should be framed by the A-pillar, roof rail, B-pillar and the rocker panel and they should be visible. All interior compartments and accessories must be closed before taking the picture (Glove box, cup holders, center console, visors, sunshades etc.)
6. Dashboard/Instrument Panel with odometer reading – Photo is taken from the driver's point of view. If possible, it may be necessary to get into the back seat and hold the camera slightly to the right of where the driver's head would be. Steering wheel must be positioned so there is no obstruction in viewing the instrument panel. Image needs to be crisp and clear and contain all aspects of the odometer gauge. The photographer should turn off the red eye feature of the camera if he/she notices an orange glow or reflection of the glass. The radio, navigation system, etc. must be turned on to demonstrate functionality.

7. Right Front Door interior seats and carpet (All keys /warranty books/owner's books on the seat)
Photo is taken from the passenger side showing the interior door panel, dashboard, the front seat along with the floorboard/carpet along with all the keys and books on the passenger seat.
8. Engine Compartment – Photo needs to be taken with the hood up standing in front of the front bumper looking down at the motor making sure the shot includes the entire engine compartment include all covers (missing or in place). Photo should be far away enough to include front grille and emblem below hood. Photo needs to be crisp and clear.
9. Trunk with spare tire and tool kit visible – Photo needs to be of the inner trunk area with carpet cover pulled up or supported and tire visible. Photo needs to include visible spare tire along with manufacturer's supplied tool kit, jack, air compressor and other accessories if equipped.
10. B-pillar build label (contains VIN compliance info and build date which is important for exporters) – Image must be taken from the driver's door jamb area. It should be close enough so that the entire build date of manufacture and as much of that VIN that can be captured are legible. Image must be clear and crisp.
11. Keys and Warranty Books/Owner Guides – The image needs to be a clear, crisp, and a close up shot of all keys (including valet keys), warranty books/owner's manual as well as any other supplements for owner information.

CENTENNIAL CASUALTY COMPANY

2200 Woodcrest Place, Suite 100 Birmingham, AL 35209

BOND NO. 2018001

\$ 250,000

AUTOMOBILE AUCTION FINANCIAL GUARANTY BOND

KNOW ALL MEN BY THESE PRESENTS, THAT, Dealers Auto Auction of Jackson, LLC, hereinafter called the Principal, and Centennial Casualty Company, hereinafter called Surety, are held and firmly bound unto the National Auto Auction Association, hereinafter called the Obligee, in the aggregate sum of Two Hundred Fifty Thousand Dollars (\$250,000), (the "Aggregate Limit") for the payment whereof to the Obligee and Defined Beneficiaries (as defined below) of Principal, the Principal and Surety hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above bound Principal is a licensed automobile auctioneer that has entered into or will enter into one or more contracts with "Defined Beneficiaries" under which contracts Principal is to sell at Principal's auction on behalf of said "Defined Beneficiaries" certain automobiles consigned by said "Defined Beneficiaries" to Principal. For purposes of this Bond, "Defined Beneficiaries" is defined to mean, and only to mean, those lease companies, financial institutions, motor vehicle manufacturers, and/or remarketing companies selling automobiles owned by, and on behalf of, any of the same, that have entered into contracts with Principal under which contracts Principal has sold at Principal's auction one or more automobiles consigned by said Defined Beneficiaries to Principal for sale. Lease company shall be defined as a corporation whose principal activity is the leasing of motor vehicles to third parties. Financial institution means only those financial institutions not affiliated with an automobile dealership.

WHEREAS, Principal is designated as bonded in Obligee's annual directory of its member auctions and, as a precondition to such designation, must deliver annually to Obligee a good and sufficient surety bond conditioned that said Principal will pay when due to the Defined Beneficiaries the selling price for all automobiles belonging to the Defined Beneficiaries and consigned to and sold by said Principal at Principal's auction in accordance with the conditions of the pertinent consignment and sales contracts, it being acknowledged by the Obligee by its acceptance hereof that this Bond, under which, among other matters, Surety's obligations are limited in the aggregate to the Aggregate Limit, constitute such a good and sufficient surety bond.

WHEREAS, this bond shall be issued to Obligee for the benefit of any Defined Beneficiaries who shall suffer a loss as a result of any violation of the conditions herein contained, however, in no event shall the sum total of all payments to all Defined Beneficiaries and the Obligee exceed the Aggregate Limit.

NOW, THEREFORE, the condition of this obligation is such that if the above bound Principal will pay when due to the Defined Beneficiaries the selling price for all automobiles belonging to the Defined Beneficiaries and consigned to and sold by said Principal at Principal's auction in accordance with the conditions of the pertinent consignment and sales contracts, then this obligation shall be null and void; otherwise, to remain in full force and effect. The following shall constitute additional conditions of this Bond in the event that a Defined Beneficiary suffers a loss as a result of a violation of a condition of this Bond: (1) the Defined Beneficiary suffering the loss must promptly notify Principal and Surety in writing of its loss; and (2) said Defined Beneficiary must obtain a judgment in a competent court of law against Principal with regard to said loss, and must provide Surety with a copy of the Defined Beneficiary's complaint against the Principal when it is filed and a copy of the judgment obtained against Principal when it is obtained. (3) Should this Bond be extended or continued, regardless of the number of years, this bond shall remain in effect, the Aggregate Limit hereunder shall not exceed Two Hundred and Fifty Thousand Dollars (\$250,000.00). (4) This bond does not cover any loss not discovered and reported to the Surety by the Obligee or Defined Beneficiary within twelve (12) calendar months following the date of sale of the automobile, belonging to the Defined Beneficiary.

PROVIDED, HOWEVER, that the Surety or Principal may cancel this bond by giving thirty (30) days prior notice in writing to the Obligee, such notice to be given by certified mail, and such notice to be deemed sufficient by and for the Defined Beneficiaries, upon whom it is incumbent to check with Obligee for cancellation. Such cancellation shall not affect any liability incurred under this bond prior to the effective date of such cancellation.

If any Defined Beneficiary has any disagreement or dispute of any kind with Surety with regard to any matter pertaining in any way to this Bond for which said Defined Beneficiary seeks resolution in a court of law, said Defined Beneficiary and Surety agree that (i) any claim filed by one of them against the other must be filed in the Circuit Court of Jefferson County, Alabama, (ii) the Circuit Court of Jefferson County, Alabama has exclusive jurisdiction and exclusive venue over any such claim, and (iii) the law of the State of Alabama is controlling as to any said claim filed.

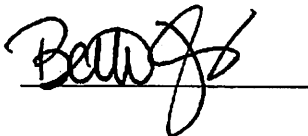
LIABILITY UNDER THIS BOND SHALL COMMENCE ON THE 27th DAY OF February, 2018, AND SHALL CEASE ON THE 31st DAY OF December, 2018, UNLESS THIS BOND IS EXTENDED OR CONTINUED IN WRITNG BY SURETY.

SIGNED, SEALED AND DATED THIS 27th DAY OF February, 2018.

WITNESS:

Dealers Auto Auction of Jackson, LLC

Principal



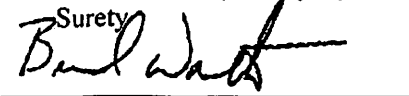
By:



Centennial Casualty Company

Surety

By:



Shelton Vance

From: Spencer Couch <scouch@dealersauto.com>
Sent: Wednesday, May 2, 2018 7:25 AM
To: Shelton Vance
Subject: RE: Contract

The bond is not in the name of the entity specified in the contract. The contract refers to subsidiaries. Is Dealers Auto Auction of Jackson, LLC a subsidiary of Dealers Auto Auction Group, LLC?

Yes

Also, we intend to strike sections 5 and 6 from the contract. I thought that this was an item that we had agreed on.

Yes, we are in agreement .

Spence Couch
Fleet Lease Manager
Dealers Auto Auction of Jackson
1657 Old Whitfield Rd
Pearl MS 39208

(O) 601-957-8815
(C) 601-812-8268
(F) 601-956-8162



From: Shelton Vance [mailto:Shelton.Vance@madison-co.com]
Sent: Tuesday, May 01, 2018 5:24 PM
To: Spencer Couch <scouch@dealersauto.com>
Subject: Contract

NOTICE This email originated from outside our organization. Please use caution when following links or opening attachments.

OK, Spence.

Almost there.