

TO: TONY MALL
719-632-8586
HARRIS USED PARTS

FROM: CHERYL DOTSON, COLORADO AUTOMOTIVE
RECYCLERS
303-451-7567

RE: CLEAR THE AIR PROGRAM PARTICIPATION

DATE: 4/28//11

OF PAGES (w/Cover): 9

Hi Tony,

Norman Wright asked me to pass this information on to you. Please fax back to me 303-451-7567 when completed.

Thanks
Cheryl Dotson
303-457-2119

Conditions for Participation by CAR members in “Clear the Air” CTAF Program

1. Be a member in good standing of the Colorado Auto Recyclers Association.
2. You must be a Colorado Auto Dealer to participate.
3. Monitor and respond to request for bids from CTAF through the QRP Vehicle Management System at [www.http://www.qrpvms.com](http://www.qrpvms.com) via the Colorado Automotive Recycler Association website at <http://www.coloradoautorecyclers.com>. Recycler must have a signed QRP Buyers Agreement in force. CTAF shall not be obligated to respond to or accept any such bids from Recycler.
4. All vehicles shall be sold to Recycler “AS IS” with no warranties of any kind including the warranty of merchantability or warranty for fitness
5. Comply with all requirements established by CTAF for disposal of the engine and other parts of the vehicle including, but not limited to, marking engine for destruction and ensure that it will not be resold/reused; having the shell of the vehicle crushed and destroyed after removing any recyclable parts, at Recycler’s option; ensure that the engine block, vehicle frame and shell are recycled only for metals and no other items; and crushing the vehicle after non-polluting parts are removed for reuse; ensure that all fluids will be properly handled and disposed of.
6. All vehicles will be entered into the NMVTIS data base as scrapped or junk and may not be returned to the road.
7. Comply with all applicable federal, state and local laws and regulations pertaining to the operation of the Recycler’s business including, but not limited to, all environmental, hazardous waste disposal and salvage/recycling laws.
8. Provide CTAF with a receipt detailing the sales price of the vehicle.
9. Arrange to have vehicle picked up from a donating dealer’s inventory lot or from the consumer within five (5) business days of notification of winning bid from CTAF.
10. All vehicles which are received by the Recycler must be paid for in full to CTAF within five (5) business days after receiving the title or bill of sale for the vehicle, whichever is first.

COLORADO AUTO RECYCLERS ASSOCIATION
CLEAR THE AIR FOUNDATION
BUYER'S AGREEMENT

Colorado Auto Recyclers Association and the Clear The Air Foundation have join forces to offer to CAR members the opportunity to purchase vehicles on the CAR QRP auction web site. In order to participate in this program each CAR member must abide by the following conditions:

1. Must be a current paid up CAR member
2. Must be a Colorado Auto Dealer (May be waived at a later date)
3. Must have a signed QRP buyers agreement in place
4. The Foundation determines if vehicle will be sold depending on bids submitted
5. Vehicles are sold "As Is"
6. Vehicles must be picked up within five (5) business days from award date
7. All awarded vehicles must be paid in full to the Foundation within five (5) business days after receiving the vehicles title or bill of sale.
8. All titles will be stamped scrap/junk and vehicles will not be put back on the road
9. Engine blocks will be recycled for metals only
10. Vehicles will be crushed after parts are removed for reuse
11. All fluids will be properly handled and disposed of
12. All vehicles will be entered into the NMVTIS data base a scrapped
13. All Federal, State, and local laws and regulations will be adhered to

Failure to adhere to any of the above conditions will jeopardize bidding on vehicles.

I have read, understood, and agree to the conditions set forth in the Clear The Air Foundation buying program.

Name of Member Facility

By

Date

***QRP Vehicle Management System
Auxiliary Bidder agreement***

Qualifications, regulations and fees for auto recycler participation as Vehicle Management System auxiliary bidders are as follows:

Explanation

The QRPVMS program is a secure vehicle bid gathering program that operates utilizing recycler submitted blind bids directly to the insurance seller. QRPVMS is not an auction in any sense, and the seller has complete control over accepting or declining any bids secured through the program. The auxiliary bidder feature is offered at the sole discretion of QRP of Wisconsin and qualifying auxiliary bidders participate at the request of QRP customers. Customers may remove an auxiliary bidder at any time for any reason deemed appropriate for their business operation. QRP also maintains exclusive rights, separate from the customer's invitation, to refuse to insert any auxiliary bidder into the selection area for any reason we deem appropriate.

Participation in the QRPVMS auxiliary bidders program does not qualify you as QRP member nor provide access to other programs or benefits offered to QRP members through the QRPVMS program, or any other programs associated with QRP unless specified directly by QRP of WI.

Qualifications

Auxiliary bidders will be limited to auto (or truck) recycling businesses that are licensed by their state's governing body. These businesses must be independently owned and operated. The primary facility must be located in the USA, and the primary business function must be the selling of recycled auto parts. The business must comply with all local, state, and federal regulations related to the automobile recycling industry. The business must be an active member in a state auto recyclers association.

Businesses or individuals operating as auto recyclers without the appropriate licensing, or without being a member of a state's auto recyclers association, publicly held companies, companies whose primary business location is outside of the USA, and any company operating in violation of any local, state, or federal law will not be approved as auxiliary bidders on the QRP Vehicle Management System.

Regulations

Each Auxiliary Bidder must agree to certain commitments that QRP makes to the salvage sellers. These commitments include:

All salvage is bid as is and where is

When the winning bid is \$500.00 or higher, the buyer will absorb all ongoing storage costs beginning on the first business day following awards made prior to 5 pm cst on a business day.

When the winning bid is \$499.99 or lower, the buyer will absorb all ongoing storage costs beginning on the third business day following awards made prior to 5 pm cst on a business day.

Bidders will arrange prompt transportation of awarded vehicles to the buyer's place of business, where they will remain awaiting payment. Vehicles will not be dismantled or altered in any way prior to salvage payment being issued

Bidders will honor their bids whenever an award is made within seven (7) days following the close of the bid period.

(Assuming no change in vehicle condition or location)

The amount of the bid less all qualified paid advance charges will be paid to the seller in no more than 14 days following the seller's notification to the buyer that the title and all pertinent paperwork are in hand and the vehicle can be processed immediately following payment.

Bidders will hold awarded vehicles, without storage charges, and honor their bid for up to 45 days. After that time, if the seller has not been able to provide the necessary paperwork, the buyer may initiate storage charges (after notifying the seller in writing) and at the time of settlement the buyer may negotiate the original bid. At that point the seller has the option of accepting a negotiated bid, paying initial advance charges plus the buyer's transportation costs and accumulated storage, and re-listing the vehicle on the Vehicle Management System, or selecting another disposal method.

Bidders will not enter into any post-award negotiations with sellers without first contacting the QRP office.

Bidders will not attempt to subvert the blind bidding process in order to secure the purchase of a vehicle offered for bids on the QRPVMS. If you are interested in a piece of salvage offered on the program and are selected as a bidder for that salvage you will need to bid the vehicle on the program and take no action to bid late to a customer, or do anything else designed to circumvent the "Blind Bid" aspect of the program.

All approved participants agree to abide by any future policies or regulations developed by QRP of WI and applied to the members of QRP of WI.

Fees

Buyer's fees will be paid direct to QRP of WI according to the following schedule;

Buyers will be charged a \$100.00 buyer's fee for each awarded vehicle that had a bid of \$500.00 or higher.

The buyer's fee for awarded vehicles with bids between \$200.00 & \$499.99 will be \$25.00

Awarded vehicles with a bid of \$199.99 or lower will not be subject to any buyer's fee.

QRP of WI will invoice the buyer's fees on a monthly statement. Payment is due by the 10th of the month.

In the event the seller uses OSATS to process titles;

The OSATS (One Source Auto Title Service) fee for junk title, bill of sale is paid by QRP of WI when the salvage is awarded via the Vehicle Management System, and the winning bid is \$200.00 or higher.

When the winning bid is \$199.99 or less OSATS will invoice the buyer \$20.00 for a junk title bill of sale.

The OSATS fee for processing a title transfer is \$25.00, charged to the salvage buyer. This is the buyer's responsibility and is not to be passed on to the seller. The state of WI title transfer fee of \$74.50 will also be charged to the salvage buyer by One Source Auto Title Service. The buyer can deduct the \$74.50 state fee from the bid amount like any other advance charge.

All OSATS charges will be paid direct to OSATS
(OSATS is not currently processing titles for any state other than WI.)

Terms

Auxiliary bidders approved for participation in the Vehicle Management System bidding process will keep their accounts current with QRP of WI, all QRP members, all QRT (Quality Recovery & Towing) members, and OSATS. If any account balance becomes past due QRP of WI will deactivate the participant's bidding privileges account.

Auxiliary bidder accounts will also be deactivated for any breach of any of the qualifications and regulations listed above.

If a user's account is deactivated, the user may request a review of the circumstances by the QRP of WI Board of directors, or that Board's assigned representatives. If the review of the circumstances determines that the user may be reactivated, that user will be required to pay a \$500.00 reinstatement fee. No user will be reactivated more than one time.

Disclaimer

Auxiliary bidders hold QRP harmless in regard to salvage offerings and purchases from the system. QRP does not control the salvage content or the title processing actions of the sellers or One Source Auto Title Service, LLC.

QRP of WI retains the sole authority to approve or disapprove any applicant, as well as to deactivate any participant's account for any action or lack of action by that participant that the QRP Board of Directors shall determine to be in any way detrimental to the overall success of the Vehicle Management System.

I have read, understand, and agree to all of the qualifications, regulations, fees, and terms set forth in this document.

Business name

Owner's signature

Please sign this page and fax to 715 536-7438

QRP Vehicle Management System Recycler bidding privilege application

Company Name _____
Owner's name _____
Address _____
City _____
State _____
Zip _____

Phone number _____
Owner's extension _____
Owner's email _____
Website _____
Type of corporation _____
Salvage license number _____

Number of years in business _____
Number of salvage vehicles purchased annually _____
Number of employees _____

Please list all industry related groups or associations in which you currently hold an active membership.

Invited to QRP Vehicle Management System by ART FOSS

I have read the qualifications and regulations pertaining to the privilege of being able to bid salvage on the QRP Vehicle Management System and I agree to abide by them. I fully understand that QRP of WI will deactivate my bidder account if any of the regulations are not met.

Owner's signature

Please fax completed form to 715 536-7438