

Electric and Hybrid Vehicles Position Statement

August 5, 2024

NAAA recognizes that Electric and Hybrid Vehicles continue to evolve and become more prominent within the wholesale marketplace. Current Arbitration Guidelines allow for arbitration claims in the event of an electric or hybrid vehicle battery problem or replacement.

Properly assessing electric or hybrid vehicle batteries falls outside the scope of inspection for the Generic Condition Report due to the unique and complex nature of each vehicle and their proprietary components. Due to these and other factors, the NAAA Auction Standards Committee recommends all Electric and Hybrid Vehicle battery concerns be investigated by a qualified 3rd party technician (as determined by Auction company representative).

All costs including transportation to and from location, diagnosis and all repairs or replacements will be the responsibility of the seller and/or buyer depending on the outcome of the 3rd party's diagnosis and arbitrator's final decision.

As noted above and in Appendix 1 of the NAAA Arbitration Policy, sellers must disclose Electric or Hybrid battery problems and concerns that are singularly \$800 or more to repair or replace. This policy applies to vehicles up to eight (8) model years old. For vehicles over eight (8) model years old, electric and hybrid vehicle batteries are not arbitrable.

Furthermore, electric or hybrid battery vehicles are not eligible for or included in the NAAA Certification program.

Refer to Appendix I in the Arbitration Policy for other respective timelines.