



Company Policies

Rev.13C(03/15/2017)



At The Auto XL...we keep your inventory moving.

- We have spent over a decade building relationships and utilizing the skills of our expert team to assist dealerships with the liquidation and accrual of pre-owned inventory.
- We provide pre-owned auto brokerage services to Franchise Dealerships, large and small, as well as select Wholesale Dealers.
- Our Dealers provide us with a diverse offering of quality vehicles on a continual basis, providing the optimal channel for any pre-owned inventory requirements.
- We not only assist dealerships with the liquidation and accrual of pre-owned inventory, we do it without you having to attend an auction or leave your dealership at all. This leaves time for you to tend to other tasks, while we do all the legwork for you.
- The vehicles provided consist of top quality frontline ready vehicles, rare finds and fresh trades. If you have specific inventory needs, we can put together a "Wish List" for you and locate those vehicles. With proper disclosures, we can give any vehicle a new home.
- Our goal is to provide both the Purchasing and Selling Dealer with a swift, reliable solution to their inventory needs.
- If needed, we also can act as the purchasing agent for a dealership. Let our expert staff assist you from start to finish. We work hard – so you don't have to.

Summary of Services

Our services begin with a Selling Dealer's aged, overage or trade-in inventory. Dealers supply us with Kelly Blue Book book sheets for the vehicles they wish to sell. The book sheet can be faxed, emailed or delivered in person.

These book sheets are entered into our system and show available for sale. Our sales team will proceed to place the inventory with the appropriate dealer – based on make, year, model and most importantly, specific dealer needs. We pride ourselves on our attention to detail and our knowledge of the industry. We've built strong relationships that stand the test of time.

When both the Selling Dealer and Purchasing Dealer agree on the price, our administrative office staff sends each party a CA DMV draft. Next, we provide transportation coordination with several pre-screened transport companies who have provided The Auto XL the appropriate licensing and insurance information. It is our goal that vehicles are delivered within forty-eight (48) hours of purchase, with many being delivered within twenty four (24) hours. However, please note that long distances, or routes less traveled, may take longer. Dealers can choose to coordinate transport themselves, but must inform The Auto XL at the time of purchase. If a Purchasing Dealer chooses to move their own (MTO), we require they do so within forty-eight (48) hours. If that vehicle is not moved within that time frame, The Auto XL reserves the right to schedule transport.

From the date of delivery (not transaction date), the Purchasing Dealer has forty eight (48) hours to inspect the vehicle. If there are any issues that arise that were not disclosed at the time of sale (noted on the book sheet and/or draft), the dealer can fax or email the Auto XL arbitration department to open an arbitration. Once opened, our staff will research and verify the validity of the arbitration. If the claim is verified, we will attempt to negotiate a mutually agreeable settlement between both parties. The inspection time frame is implemented in order to assure swift and timely payment for the vehicle.

An arbitration that is initiated outside the forty-eight (48) hour time frame, and where there is no mutually agreeable resolution, may place the responsibility of any transport costs for that transaction on the Purchasing Dealer. The Auto XL reserves the right to have the Purchasing Dealer billed for any other costs associated with an unwound vehicle that is arbitrated outside the inspection time frame.

Once a vehicle has cleared the arbitration time frame, check and title are swapped directly between the Purchasing Dealer and Selling Dealer. The Auto XL can also assist you with the check and title exchange, if desired.

For each transaction, the Purchasing Dealer and Selling Dealer will be charged a brokerage fee. Once the transaction is complete, our accounting office will forward a separate invoice to each party.

We look forward to working with you to achieve your inventory goals.

Details for Selling Dealers

Our goal is to simplify things for you and your dealership. In order for us to achieve this goal, please abide by the following guidelines:

1. Forward your inventory on a Kelly Blue Book book sheet via facsimile, e-mail or hand delivery. Ensure each book sheet contains the following information:
 - a. VIN number
 - b. Color
 - c. Dealership name
 - d. Selling price or price range
 - e. Accurate miles
 - f. Accurate listing of all additional equipment
 - g. Description of any non-book value enhancement
 - h. Thorough explanation of any vehicle flaws
 - i. Declaration of lifted or lowered vehicles
 - j. Prior rental status (certain dealers are unable to purchase prior rentals)
 - k. Out-of-state status (certain dealers are unable to purchase out-of-state vehicles)
 - l. Designation of smog and safety/frontline or fresh trade
 - m. State if the vehicles sales status is other than for immediate pick up
 - n. Whether the vehicle is eligible for trade
 - o. Disclosure of any issue on a CarFax or AutoCheck report that would devalue the vehicle
2. Notify The Auto XL immediately if a vehicle brokered by The Auto XL has retailed from your dealership. Otherwise, any transportation costs associated with a transport dry-run shall be the responsibility of the Selling Dealer. In addition, The Auto XL may assess a \$255 retail fee.
3. Titles must not be salvage, T.M.U., flood or frame.
4. Provide contact information for your key support staff to assist in the transport of vehicles and check/title exchange.
5. Selling Dealer is responsible for any penalties on a KSR prior to Purchasing Dealer's 'stocking in' of vehicle. (Excluding vehicles in dealer inventory at the time the penalties became due).
6. Exchange of check and title is done directly with the Purchasing Dealer, unless you choose to have The Auto XL assist you with a secure swap. If you choose to have The Auto XL exchange check and title for you, you must provide us with a copy of title promptly and send physical title to us when check is secured (within 30 days of transaction date). Swap will be done once we receive both sides (title from Selling Dealer and check from Purchasing Dealer).
7. The Purchasing Dealer has a forty-eight (48) hour inspection (arbitration) period from time of delivery, not time of sale. Time frame is implemented to ensure swift and timely payment.
8. If a vehicle is returned with an authorization from the arbitration department, the Selling Dealer is responsible for any transportation costs associated with that transaction, which will be billed separately by the Transportation Company. If The Auto XL deems the Selling dealer has made a fair offer to resolve an arbitration, according to industry standards, and Purchasing Dealer refuses, Purchasing Dealer may be charged transport costs.
9. Our broker's fee is billed separately, once transaction is complete.

Details for Purchasing Dealers

Our goal is to provide you with an effective and efficient channel to obtain quality Frontline Ready used car inventory, as well as help to facilitate smooth transportation and assist with prompt exchange of check and title (upon request).

In order for us to help you accomplish your goals, please follow these guidelines:

1. Be an authorized agent for the Dealership.
2. The inspection (arbitration) time frame is forty-eight (48) hours from time of delivery, not forty-eight (48) hours from the time of sale. Time frame is implemented to ensure swift and timely payment.
3. Expect to spend \$300 in reconditioning. The first \$300.00 of reconditioning is therefore not acceptable for arbitration, excluding safety issues on a vehicle represented as frontline.
4. Pay the established draft purchase price, or the approved arbitration adjusted draft price, within two (2) days of receipt of title information.
5. Provide the contact information for your key support staff to assist in the transport of the vehicle.
6. The Auto XL will coordinate the transportation of the purchased vehicle and make best efforts to have them delivered within forty-eight (48) hours of the transaction date. However, due to seasonal upticks in business, distance and/or less traveled routes, it could take longer than forty-eight (48) hours to transport. Please consider longer distances and less traveled routes at the time of sale and discuss possible outcomes with The Auto XL.
7. Purchasing Dealer is responsible for the cost of Transportation. However, if a vehicle is returned with an authorization from the arbitration department, the Selling Dealer is responsible for any transportation costs associated with that transaction, which is billed separately by the Transportation Company. If The Auto XL deems the Selling Dealer has made a fair offer to resolve an arbitration, according to industry standards, and Purchasing Dealer refuses, Purchasing Dealer may be charged transport costs.
8. All Transportation costs are billed separately by the Transportation Company.
9. Process paperwork in a timely manner to facilitate check and title exchange.
10. Exchange of check and title can be done directly with the Selling Dealer unless you request The Auto XL to help facilitate a secure swap. You can request this by having your staff notify The Auto XL that check is ready, or by sending check directly to The Auto XL.
11. Certain Selling Dealers will send title directly to The Auto XL in order for us to facilitate a secure swap. In this case, send your check to The Auto XL (made out to the Selling Dealer on the CA DMV draft) to receive the physical title.
12. Purchasing Dealer is responsible for any fees on a KSR from date of purchase and 'stocking in' of vehicle into their inventory.
13. Our broker's fee is billed separately once transaction is complete.

Transportation

At the time of purchase of a vehicle, The Auto XL will coordinate the transportation of the purchased vehicle and make best efforts to have them delivered within forty-eight (48) hours of the transaction date. However, due to seasonal upticks in business, distance and/or less traveled routes, it could take longer than forty-eight (48) hours to transport. Please consider longer distances and less traveled routes at the time of sale and discuss possible outcomes with The Auto XL.

The Auto XL coordinates transportation with several pre-screened transport companies who have provided The Auto XL the appropriate licensing and insurance information.

Purchasing Dealer is responsible for the cost of Transportation. However, if a vehicle is returned with an authorization from the arbitration department, the Selling Dealer is responsible for any transportation costs associated with that transaction. If The Auto XL deems the Selling Dealer has made a fair offer to resolve an arbitration, according to industry standards, and Purchasing Dealer refuses, Purchasing Dealer may be charged transport costs. All Transportation costs are billed by the assigned Transportation Company and paid directly to these companies, not The Auto XL.

If the Purchasing or Selling Dealer wishes to coordinate their own transportation (MTO), they must notify The Auto XL at the time of sale. If a Purchasing Dealer chooses to move their own (MTO), we require they do so within forty-eight (48) hours. If that vehicle is not moved within that time frame, The Auto XL reserves the right to schedule transport.

The Transportation department will track transport status of all vehicles brokered through The Auto XL, including Purchasing or Selling Dealers who wish to coordinate their own (MTO) transportation for a transaction.

The tracking of transport status will include confirmation of vehicle readiness, status of pickup and delivery and confirmation of delivery by the assigned Transportation Company. As a courtesy, the Transportation department will attempt confirmation of delivery with Purchasing Dealer. The date notated on the Transport Company's bill of lading will serve as the start date for the Arbitration period.

Arbitration

If, upon receipt of a vehicle, the Purchasing Dealer believes the vehicle fails to meet Frontline standards or has other conditions not disclosed at the time of sale, the Purchasing Dealer has forty-eight (48) hours to submit an Arbitration Claim. All disputes or Arbitrations arising out of the purchase or sale of a vehicle at The Auto XL must be submitted in writing, via fax or email, to The Auto XL. For the purpose of this agreement the forty-eight (48) hours must fall on a business day. A business day excludes Saturday, Sunday and Federal Holidays.

In the event a Purchasing Dealer files an Arbitration Claim after the expiration of the arbitration period, his arbitration may be honored at the discretion of the Selling Dealer. To avoid dispute of the timeliness of a filed claim, the timestamp within the Auto XL system will be presumed to be the time it was received. Any arbitration that is initiated outside the forty-eight (48) hour time frame, and where there is no mutually agreeable resolution, may place the responsibility of any transport costs for that transaction on the Purchasing Dealer.

All parties agree to have all disputes arising out of the purchase or sale of a vehicle through The Auto XL settled by an arbitrator appointed by The Auto XL. All parties further agree that the decision by the arbitrator shall be final and binding.

Both Selling and Purchasing Dealers agree to abide by and perform any award(s) rendered by the arbitrator within the time frame specified in the arbitrator's written decision. In the event of non-compliance, the prevailing party may enforce the award by bringing proceedings in a court of competent jurisdiction, in accordance with applicable law. If the party seeking to enforce the award prevails in litigation, such party shall be entitled to its costs and attorney's fees incurred in such litigation from the other party, in addition to other relief as is directed by the court.

All vehicles are subject to The Auto XL Frontline Vehicle Guidelines. Any deviation from The Auto XL Frontline Vehicle Guidelines must be disclosed by the Selling Dealer on the book sheet provided to The Auto XL.

The Purchasing Dealer should expect \$300 in reconditioning. The first \$300 of reconditioning is therefore not acceptable for arbitration, excluding safety issues on a vehicle represented as frontline.

Purchasing and Selling Dealers must adhere to The Auto XL Arbitration Policies, Frontline Guidelines and Book Sheet disclosures, as contained in The Auto XL Company Policies. This will ensure that all dealers have fair and accurate resolution to any issue. Please take the time to familiarize yourself, and your key dealership personnel, with these policies.

Equipment Guidelines – Equipment Adds & Disclosures

In an effort to promote continuity and fairness amongst our dealers, we have compiled the following, generally accepted, industry standards for Additional Equipment.

1. **Premium Sound** – must be a factory installed, name brand unit. For example: Bose, Polk, Infinity, JBL, Mach I, etc. Any after-market systems must be fully disclosed and will be handled on a case-by-case basis.
2. **Bed Liner** – must fully line the bed of the truck and be a one-piece plastic unit or a spray on, Rhino type, liner. Bed mats or camper shells are not considered a bed liner.
3. **Custom Bumper** – is a truck addition only.
4. **Towing Package** – must include the hitch assembly and the wiring.
5. **Premium Wheels** – are chromed factory alloy wheels or any aftermarket wheel upgrade (chromed or not). Chromed steel wheels are considered an alloy wheel addition only.
6. **Wide/Oversized Tires** – are an add only if the vehicles tires are a larger size than the original tire specifications (which are usually located on the door jamb of the vehicle).
7. **ABS Brakes** – vehicle must have 4 wheel ABS braking system for this add.
8. **Integrated phone** – must be factory installed.
9. **Under Body Hoist** – is only an add if it is a name brand and professionally installed. A lowered vehicle does not qualify

Frontline Vehicle Guidelines

All vehicles represented as Frontline Ready, must meet or exceed the following guidelines unless properly notated or disclosed on the book sheet.

1. Engine

- a. Vehicle must pass California Smog requirements.
- b. Belts and hoses must be free of visible wear.
- c. Aftermarket equipment (such as superchargers, turbos, air induction systems, free flow exhaust and any item that may impede sale or smogging of the vehicle) must be noted on the book sheet.
- d. Performance must meet factory standards.

2. Transmission and CV Joints

a. Automatic Transmissions

- i. Automatic Transmissions must shift properly through all gears (forward, passing and reverse) and be free of excessive universal joint noise.
- ii. Overdrive and power modes must shift properly.

b. Manual Transmissions

- i. Clutch, pressure plate and throw out bearing may not have slippage or chatter.
- ii. Must have ease of shifting throughout the entire shift pattern (forward, passing, reverse).

c. Four Wheel Drive

- i. Transfer cases must be in full functioning order according to factory specifications.
- ii. Any modifications must be announced on the book sheet.
- iii. Vehicle must shift from Two Wheel Drive to four Wheel Drive upon demand.

d. CV Joints

- i. Must be in full, functioning order.
- ii. Boots may not have cracks or tears.
- iii. Rear end noise level may not be excessive according to the manufacturer's decibel standards.

3. Braking Systems

- a. ABS braking system must be in full operating order.
- b. Brake shoes must be at 50% minimum.
- c. Brake pads must be at 50% minimum.
- d. Rotors must be at 50% minimum and able to be turned in the event of brake vibration during braking.

Frontline Vehicle Guidelines – continued

4. Steering/Rack & Pinion

- a. Steering pump must be free of leaks and pressure fissures.
- b. Rack must be in factory working order and free of sticking and hesitation.

5. Interior and Interior Electrical

- a. Air conditioning unit must be in full working order (including pump, condenser, high pressure hoses and switches).
- b. Cruise control operations must work properly.
- c. All wipers, front and rear, must work properly.
- d. Audio system must work on all bands, including CD or MP3, if equipped.
- e. Electric windows must operate at all switching points, including master controls.
- f. Sunroof/Moon roof must open and close.
- g. Seats must work in all positions.
- h. Seat belts may not have any signs of tears or fraying and must lock properly. They must also have full range of extension and retractions.
- i. Gauges must be in proper working condition.
- j. Seats and carpets must be free of rips, burns and tears.

6. Exterior Electrical

- a. Headlamps must function at high and low beams.
- b. Tail lights, brake lights and turn signals must operate properly.
- c. Emergency four-way flashers must be functional.

7. Tires and Wheels

- a. Tires must have a minimum of 5/32, even, tread life.
- b. Passenger cars and light duty mini trucks with two matching tires per axle are acceptable, but must be disclosed.
- c. AWD, 4x4, sport utilities, vans and full size trucks require four matching tires.
- d. Spare tire, tools and jacks must be present.

8. Frame

- a. Must be free of non-factory welds, cracks, excessive bends or tears.
- b. Core support must be free of damage.
- c. Frame rails must be free of welds, tears or rips. Jack damage doesn't constitute frame damage.
- d. Mitchell Guide Body Repair manual will be used as a reference.
- e. Please review Frame Diagram for reference.

10. Body Exterior

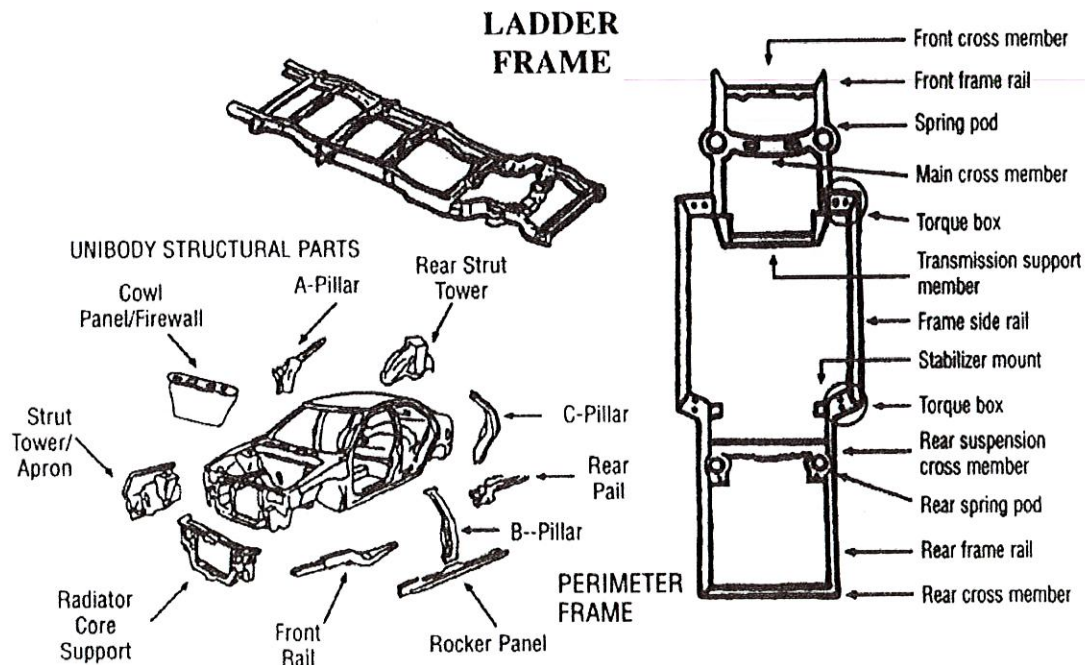
- a. Body must be free of dents requiring body filler.
- b. Repaint of any panel must be disclosed.
- c. Paintwork must meet OEM standards.
- d. Any scratches must be disclosed.

11. Glass Windshields must be free of cracks, non-repairable chips and any damage that may obstruct vision.

Description of Frame Damage

(Based on NAAA National Standards)

Component	Disclosure Requirement		
	Unibody	Unibody on Frame	Conventional Frame
1. Radiator Core Support - Including the upper and lower tie bars, center support or side baffles	None		
2. Frame Rail Extensions (Ears) - On frame vehicles that area at the end of the frame rail to which the bumper, reinforcement or isolators attach.	None		
3. Frame Rails - Including front, center & rear rails.	Existing or repaired damage, or replacement.		
4. Spring Pod, and Torque Bos or Stabilizer Mount	N/A	Existing or repaired damage, or replacement	
5. Cross members - Except Bolt-Ons	N/A	Existing or repaired damage, or replacement	
6. Apron/Upper Reinforcement Rails	Existing or repaired damage, or replacement		None
7. Strut Tower	Existing or repaired damage, or replacement		None
8. Cowl Panel/Firewall - excluding cowl vent panel	Existing or repaired damage, or replacement		None
9. Roof Support Pillars - "A", "B" or "C" Pillars	Existing or repaired damage, or replacement		
10. Roof	Replacement		
11. Rocker Panel - Outer	Replacement		
12. Rocker Panel - Inner	Existing or repaired damage, or replacement		None
13. Floor Panels	Torn, perforated or replaced floor panel		None
14. Quarter or Cab Panel	Replacement		None
15. Rear Body Panel	None		





Registration Agreement

Thank you for your interest in **The Auto XL**. Please complete this agreement and fax it to (714) 536-7751.

For questions please call (714) 536-7750.

Dealership: _____

Legal Business Name: _____

Dealership Address: _____

City: _____ State: _____ Zip Code: _____

Authorized Buyer (s)/ Seller (s) Contact:

Primary:

*Name of Authorized Buyer/Seller: _____

Contact Name at Dealership if different from buyer/seller: _____

Phone: _____ Ext: _____ Mobile Phone: _____

Fax: _____ E-Mail: _____

*Signature: _____ Date: _____

*Printed Name of Signer: _____

Secondary:

*Name of Authorized Buyer/Seller: _____

Phone: _____ Ext: _____ Mobile Phone: _____

Fax: _____ E-Mail: _____

*Signature: _____ Date: _____

*Printed Name of Signer: _____

(*person authorized to buy/sell for this dealership*)

Business Office:

DMV Clerk or Business Manager Name: _____

Phone: _____ Ext: _____

Fax: _____ Email: _____

* Please fax over a Current Dealer License, Sellers Permit, W-9 & Surety Dealer Bond*

I accept the terms and conditions contained within the **The AutoXL** Registration Agreement and **The AutoXL** Company Policies. I hereby certify that the information contained within this agreement and on any accompanying statements is true, complete and accurate.



Arbitration

Date: _____ Transaction Date: _____

Date of Delivery: _____ *Amount Requested: _____

The Purchasing Dealer should expect \$300 in reconditioning. The first \$300 of reconditioning is therefore not acceptable for arbitration, excluding safety issues on a vehicle represented as frontline.

Dealership Information

Buying Dealer: _____

Name of Main Contact: _____ Title: _____

Phone: (_____) _____ Office: (_____) _____ Fax: (_____) _____

E-mail _____

Selling Dealer: _____

Vehicle Information

Year: _____ Make: _____ Model: _____

Color: _____ Last Eight of Vin# _____

Odometer: _____ ☐ Actual? ☐ Over? (check one)

Reason for Arbitration

☐ Frame? ☐ Mis-book? ☐ Undisclosed rental? ☐ Undisclosed out-of-state? ☐ Other? (explain below)

Purchasing Dealer is responsible for the cost of Transportation. However, if a vehicle is returned with an authorization from the arbitration department, the Selling Dealer is responsible for any transportation costs associated with that transaction. If The Auto XL deems the Selling Dealer has made a fair offer to resolve an arbitration, according to industry standards, and Purchasing Dealer refuses, Purchasing Dealer may be charged transport costs. All Transportation costs are billed by the assigned Transportation Company and paid directly to these companies, not The Auto XL.

Complete this form and fax it to (714) 536-7751. Any questions? Call the Arbitration Manager at (714) 536-7750



Lic. No.: 59576

VEHICLE DEALER

Date Issued: MAY 1, 2018

Expiration Date: APR 30, 2020

This license is valid for the period indicated above. This license shall be signed and displayed in the office at the address shown below, pursuant to the California Vehicle Code.

ISSUED THE AUTO XL
TO 14351 MYFORD RD STE 220
VALID TUSTIN CA 92780
ONLY AT

WHLRLR
BROKER

License must be renewed prior to expiration date pursuant to California Vehicle Code Sections 11105, 11105.6, 11204, 11410, 11508, 11620 or 11717.

FORM CONTROL NO. 1378030

SIGNATURE OF LICENSEE

CALIFORNIA STATE BOARD OF EQUALIZATION

SELLER'S PERMIT



ACCOUNT NUMBER

2/1/2007 SR EA 100-896257

THE AUTO XL
THE AUTO EXCHANGE, LLC
14351 MYFORD RD STE 220
TUSTIN, CA 92780-7074

NOTICE TO PERMITTEE:
You are required to obey all Federal and State laws that regulate or control your business. This permit does not allow you to do otherwise.

IS HEREBY AUTHORIZED PURSUANT TO **SALES AND USE TAX LAW** TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

Not valid at any other address

**For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY:711).
For information on your rights, contact the Taxpayers' Rights Advocate office at 1-888-324-2798 or 1-916-324-2798.**

BOE-442-R REV. 16 (11-14)

A MESSAGE TO OUR NEW PERMIT HOLDER

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.boe.ca.gov
- Visiting a field office
- Attending a Basic Sales and Use Tax Law class offered at one of our field offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. You also have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the California State Board of Equalization (BOE)
- You are responsible for following the regulations set forth by the BOE

As a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a BOE representative when requested. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a BOE office, or giving it to a BOE representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with the BOE, please contact the Taxpayers' Rights Advocate office for help by calling toll-free, 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

Please post this permit at the address for which it was issued and at a location visible to your customers.



STATE OF CALIFORNIA
DEPARTMENT OF MOTOR VEHICLES

DEALER SURETY BOND

(Vehicle Code Section 11710)

DMV USE ONLY
OL OR ACCOUNT NUMBER
NAME

Bond Number 92 F3 7125 4
SURETY US2 ONLY

KNOW ALL PERSONS BY THESE PRESENTS:

That we, THE AUTO EXCHANGE, LLC DBA THE AUTO X/XL

PRINCIPAL NAME(S) AND DBA

doing business as a dealer whose address for service is 1382 VALENCIA AVE UNIT K, TUSTIN, CA 92780

DEALER SERVICE ADDRESS

as PRINCIPAL, and STATE FARM FIRE AND CASUALTY COMPANY

SURETY NAME

a corporation organized under the laws of ILLINOIS and authorized to transact a

STATE OF INCORPORATION

general surety business in the State of California, whose address for service is 4195 N VIKING WAY STE 180, LONG BEACH, CA

SURETY SERVICE ADDRESS

90808

as SURETY, are held and firmly bound to the People of the State of California in the penal sum of FIFTY THOUSAND DOLLARS (\$50,000), for which payment we bind ourselves, our heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents. The bond term shall begin on 3/20/2011

BOND EFFECTIVE DATE

WHEREAS, section 11710, Vehicle Code, requires that the Principal file or have on file with the Department a bond in the sum of \$50,000 and this bond is executed and tendered in accordance therewith.

NOW THEREFORE, the conditions of the foregoing obligation are that if the Principal shall not practice any fraud or make any fraudulent representation which will cause a monetary loss to a purchaser, seller, financing agency, or governmental agency; and, shall not fail to comply with conditions set out in section 11711, then this obligation is to be void; otherwise it is to remain in full force and effect.

PROVIDED HOWEVER, this bond is issued subject to the following express conditions:

(1) This bond shall be deemed continuous in form and shall remain in full force and effect and shall run concurrently with the license period for which the license is granted and each and every succeeding license period or periods for which said Principal may be licensed, after which liability hereunder shall cease except as to any liability or indebtedness therefore incurred or accrued hereunder.

(2) This bond is executed by the Surety to comply with Article 1 (commencing with section 11700), Chapter 4, Division 5, Vehicle Code and chapter 2, title 14, part 2, Code of Civil Procedure and said bond shall be subject to all the terms and provisions thereof.

(3) The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.

(4) This bond may be cancelled by the Surety in accordance with Article 13 (commencing with section 996.310), chapter 2, title 14, part 2, Code of Civil Procedure.

(5) The Surety, its successors and assigns, are jointly and severally liable on the obligations of the bond, chapter 2 (commencing with section 995.010), title 14, part 2, Code of Civil Procedure and Article 1 (commencing with section 11700), Chapter 4, Division 5, Vehicle Code.

(6) The Principal and Surety may be served with notices, papers and other documents under chapter 2 (commencing with section 995.010), title 14, part 2, Code of Civil Procedure at the addresses given above.

I certify (or declare) under penalty of perjury, under the laws of the State of California that I have executed the foregoing bond on behalf of the surety under an unrevoked power of attorney.

Executed in BLOOMINGTON, ILLINOIS

On (Date) 1/21/2011

x Eugina Brant
SIGNATURE OF ATTORNEY-IN-FACT

EUGINA BRANT

PRINTED OR TYPED NAME OF ATTORNEY-IN-FACT

Request for Taxpayer Identification Number and Certification

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Give Form to the
requester. Do not
send to the IRS.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. The Auto Exchange LLC		
	2 Business name/disregarded entity name, if different from above The Auto X, The Auto XL		
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input checked="" type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► S Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. <input type="checkbox"/> Other (see instructions) ►		
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>		
	5 Address (number, street, and apt. or suite no.) See instructions. 14351 Myford Rd. Suite#220		Requester's name and address (optional)
	6 City, state, and ZIP code Tustin, CA 92780		
	7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number								
			-					
or								
Employer identification number								
2	0	-	0	7	9	8	8	0

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ►	Date ►
-----------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

CITY OF TUSTIN

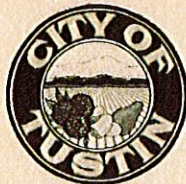
Business Tax Certificate

THIS TAX PAYMENT EXPIRES: 12/31/2018

THE AUTO EXCHANGE, LLC
14351 MYFORD RD #220
TUSTIN, CA 92780

ACCOUNT NUMBER: 99055101

SELLER'S PERMIT NUMBER:



THE AUTO EXCHANGE, LLC
THE AUTO XL
14351 MYFORD RD #220
TUSTIN, CA 92780

STANDARD INDUSTRIAL CODE:
Automotive Dealers, NEC

NON-TRANSFERRABLE - PLEASE POST IN A CONSPICUOUS PLACE

NOTICE TO TAXPAYERS

The above-named certificate holder has paid a business tax to engage in, carry on, or conduct the business, trade, calling, profession, exhibition, or occupation coded above until this certificate expires.

Granting of the tax certificate does not entitle the certificate holder to operate or maintain a business license in violation of any other law or ordinance. In addition, this business license is not transferable to any other party, and no refunds will be issued for the business license tax once a certificate has been issued.

If the tax certificate has been issued to other than an approved commercial location within the City of Tustin, then the certificate holder or his or her representative SHALL CARRY THE CERTIFICATE while engaging in business in the City of Tustin.

If this business conducts live entertainment, massage, adult entertainment booking, amusement activities, auto brokering, bingo games, check cashing, fortunetelling for pay, large outdoor gatherings, mobile vending, mobile auto services, pawn brokering, second-hand sales, or weapons sales and servicing, it may be subject to additional fees and/or permits to conduct such activities.

If you have any questions regarding requirements or conditions on your business, please call Business Licensing at (714) 573-3144.

RENEWAL OF THIS LICENSE IS DUE JANUARY 1st OF EACH YEAR

If you have not received a renewal form by Dec. 31st contact the City.