



Auction Condition Report and Vehicle Disclosures Position Statement

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Purpose and Scope

This Position Statement defines the purpose, scope, and limitations of Auction Condition Reports (ACRs) and related vehicle disclosures. It establishes consistent expectations for sellers, buyers, and auctions, supporting transparency and informed decision-making across the wholesale marketplace.

What an ACR Is

An ACR is the result of a visual inspection conducted by an individual inspector, technology-enabled process, or a combination of both. It reflects observable vehicle condition at the time of inspection and may include structured data and images.

Additional vehicle information may be included and is often provided by the seller or sourced from third-party providers or VIN decoders. Such information may not be independently verified by the auction.

Pre-reconditioning versions of the report may be shared with sellers for repair estimating and remarketing purposes and may differ from the final report available at sale.

Limitations of a Visual Inspection

Visual inspections are limited in nature and cannot reliably identify mechanical, ADAS, electrical, structural, or battery-related conditions, including those affecting Electric and Hybrid vehicles. Definitive evaluation of these areas typically requires trained technicians and specialized equipment.

Accordingly, ACRs are not intended to diagnose vehicle condition, certify safety or roadworthiness, or estimate repair costs.

What an ACR Is Not

An ACR is not a warranty, guarantee, mechanical certification, or representation of future vehicle performance.

Seller Responsibilities

Consistent with the NAAA Arbitration Guidelines, sellers are responsible for the accuracy and completeness of all vehicle representations, regardless of format or medium. This includes disclosures made through condition reports, online listings, announcements, sale light designations, markings on the vehicle, written materials, and video or digital displays.

Buyer Responsibilities

Consistent with the NAAA Arbitration Guidelines, buyers are responsible for exercising due diligence in connection with vehicle purchases. This includes, but is not limited to, reviewing ACRs, images, announcements, and sale conditions prior to bidding; understanding sale light designations; verifying disclosures at the time of sale; documenting condition at vehicle release; and utilizing post-sale inspections or assurance products when appropriate.

Closing Principle

ACRs and related disclosures support fair, consistent, and transparent transactions when used in conjunction with other seller disclosures and buyer due diligence, while recognizing the inherent limits of visual inspections.