Appraisal Guidelines
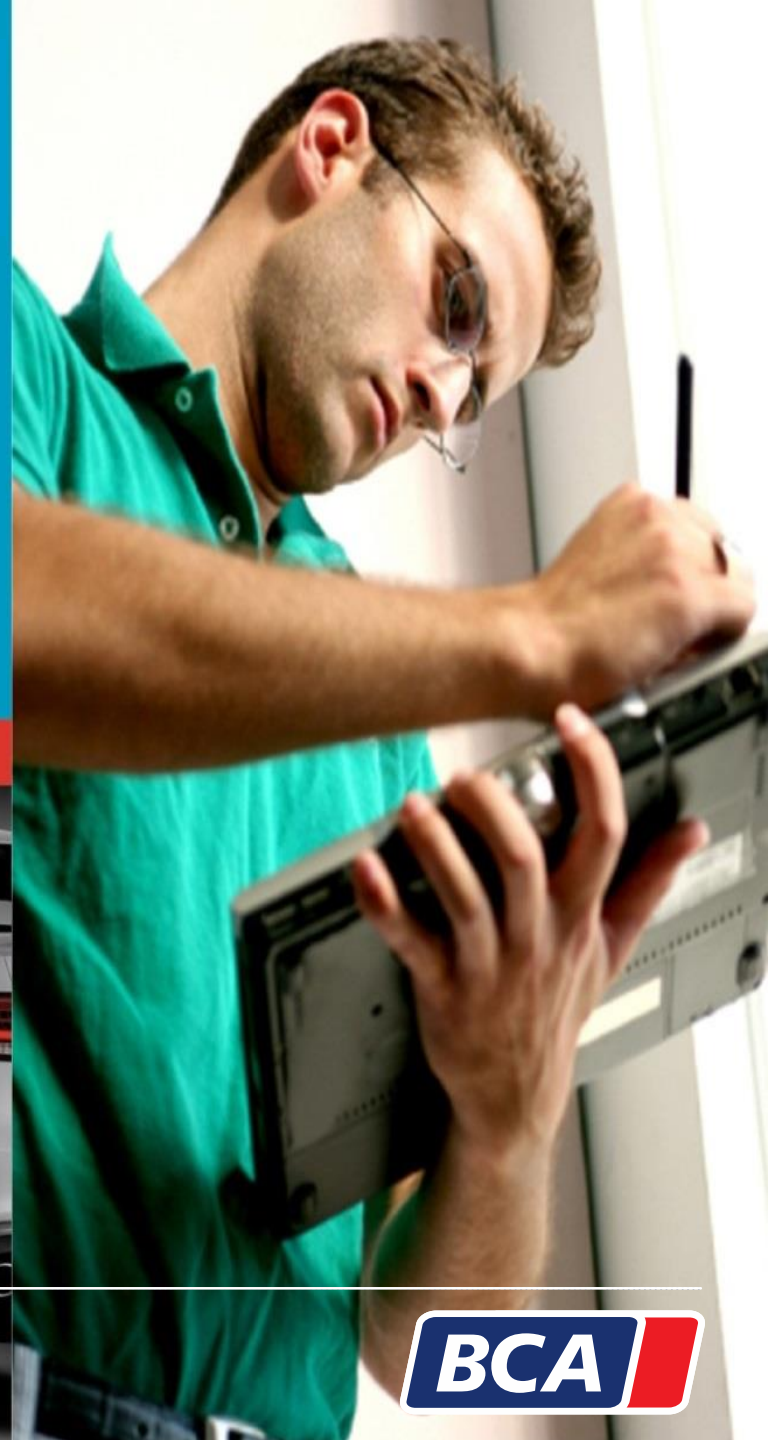
Manual for detecting the state of use of vehicles for sale in BCA auctions

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Summary

1. Introduction

The following pages briefly describe the main rules to follow to properly define the state of use of a vehicle.
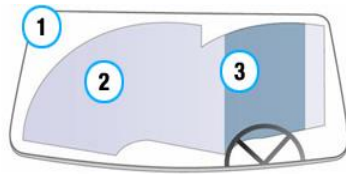
The benchmark in this activity is a used vehicle in suitable condition for immediate re-commercialization, with an emphasis on anything that could compromise safe use of the vehicle. For this reason, any discrepancy is called an "anomaly", a term that should not be read as synonymous with damage to be evaluated.

Each "anomaly" is detected according to the methods outlined in the present Technical Specification.

To facilitate reference to the various rules to be considered, this document includes a section devoted entirely to the different anomalies detected in commercial vehicles, in addition to general vehicle information.

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2. Symbols and Terminology

For brevity's sake, abbreviations and terminology have been used that are not always in common use and do not always have a single meaning. Therefore, the table below contains the information needed to easily interpret this Technical Specification:

TERM/ABBREVIATION	MEANING
SHEET METAL	Metal element, part of the bodywork of the vehicle
LIGHTS	Set of elements that make up the lights (front or rear)
GPS	Global positioning system
ABS	Anti-lock braking system
ASR/ESP	Anti-skid wheel systems
CRUISE CONTROL	Automatic adjustment of vehicle speed
AIRBAG	Device to protect people from violent shocks
TIRE	Tire
L Side	Left side (driver's side of the vehicle with left-hand drive)
R Side	Right side (passenger side of the vehicle with left-hand drive)
WFV	Windshield field of view
Windshield	Laminated front glass On each windshield, 3 different areas can be identified (see figure below): area ① => parts at the lower and upper vertices, out of range of the wiper area ② => part within the radius of action of the windshield wipers. This includes 3/4 of the surface of the windshield area ③ => field of view (WFV)

3. Vehicle Appraisal Methodology

3.1 Objectives

The objectives of the appraisal, regardless of the vehicle type, are:

1. gathering data and information
2. determining the state for general use
3. taking photographs

The apprais results (data, information and state of use) has to be reported in the Condition Report

3.1.2 Standard internazionali

BCA has worked with the industries main stakeholders to introduce a European wide standardized benchmark for vehicle grading. Using this system it is possible to detect any defect or damage and, if complying with the criteria described shown below, ensures it is consistently and appropriately scored to achieve a particular vehicle grade.

This means that vehicles coming from different suppliers and appraised by different people will be measured against the same points based system leading to a more accurate vehicle description, removing any ambiguity.

3. Metodologia di controllo veicoli

3.1.3 Classificazione in GRADI

1

The vehicle may have minor interior and exterior defects that require SMART repairs, IE minor scratches or dents and minor replacement parts could also be required.

2

The vehicle may require repairs as Grade 1 plus up to 1 major or minor body shop repair. The replacement of more significant internal or external trim parts (excluding panels) may also be required.

3

The vehicle may require repairs as Grade 1 & 2 plus may include up to 5 minor bodyshop repairs, 3 major bodyshop repairs or a combination of major and minor repairs. The vehicle may include a single replacement bumper.

4

The vehicle may require repairs as Grade 1, 2 & 3. It may have a combination of major and minor repairs and could include a non-structural replacement panel.

5

The vehicle may require repairs as Grade 1, 2, 3 & 4. It may have a combination of major and minor repairs or the vehicle may have sustained collision damage and the replacement up to two structural panels may be required (providing there is no other damage on the vehicle).

U

UNCLASSIFIED: many several defects that may also have compromised structural parts or hide damages.

- Substantial Accident damage
- Major Parts Missing
- Recorded items that exceed the criteria of Grade 5
- Multiple unrecorded items

3. Vehicle Appraisal Methodology

3.2 Necessary Conditions for Appraisal
- ➢ vehicle is clean both externally and internally to avoid compromising the audit
- ➢ vehicle contains original equipment and accessories
- ➢ verification area has adequate visibility
- ➢ verification area has enough space for the Appraiser to easily move about

3.3 Data/Information Gathering
- ➢ plate (If not present, chassis)
- ➢ brand, type (model)
- ➢ km (from the instrument panel)
- ➢ n. doors
- ➢ n. seats
- ➢ feed
- ➢ other info

3.4 Photography
The Appraiser must ensure when taking pictures that:
- ➢ 12 preliminary photographs are taken for commercial use
- ➢ 1 photograph is taken for each anomaly detected (2 if the location of the anomaly relative to the vehicle is not immediately clear)

3. Vehicle Appraisal Methodology

3.4 Photographs

➢ 11 preliminary photographs are taken for commercial* use

Photo 1: ¾ Left Front

Photo 2: ¾ Right Front

Photo 3: ¾ Right Rear

Photo 4: ¾ Left Rear

Photo 6: Odometer

Photo 5: Interior - Right Side

* This list of photos is not exhaustive

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3. Vehicle Appraisal Methodology

3.4 Photographs

➢ 11 preliminary photographs are taken for commercial use

Photo 7: Back Seat

Photo 8: Central Dashboard

Photo 9: Open Trunk

Photo 10: Toolkit and Spare Tire
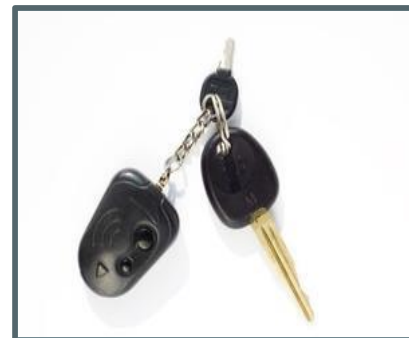

Photo 11: Engine compartment

Photo 12: Key*

| * Only if the vehicle does not have starting problems.

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3. Vehicle Appraisal Methodology

3.4 Photographs

Anomalies that are small or difficult to see must be indicated with appropriate arrows to allow for proper identification
Examples:

Photo 1 - Evident Anomaly

Photo 2 - Evident Anomaly

Photo 3 - Evident Anomaly

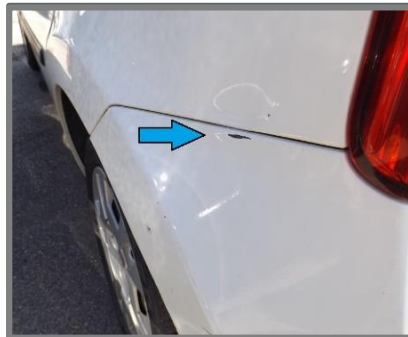Photo 4 - Anomaly not Evident

Photo 5 - Anomaly not Evident
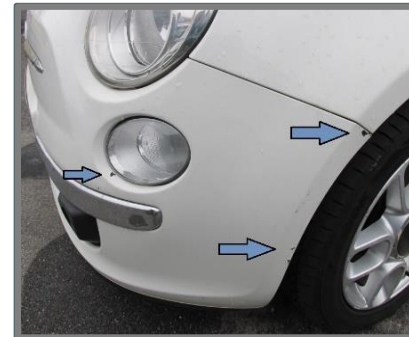
Photo 5 - Anomaly not Evident

3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

The detection of the damage should be performed without disassembly of parts and according to the steps and manner specified in the next section
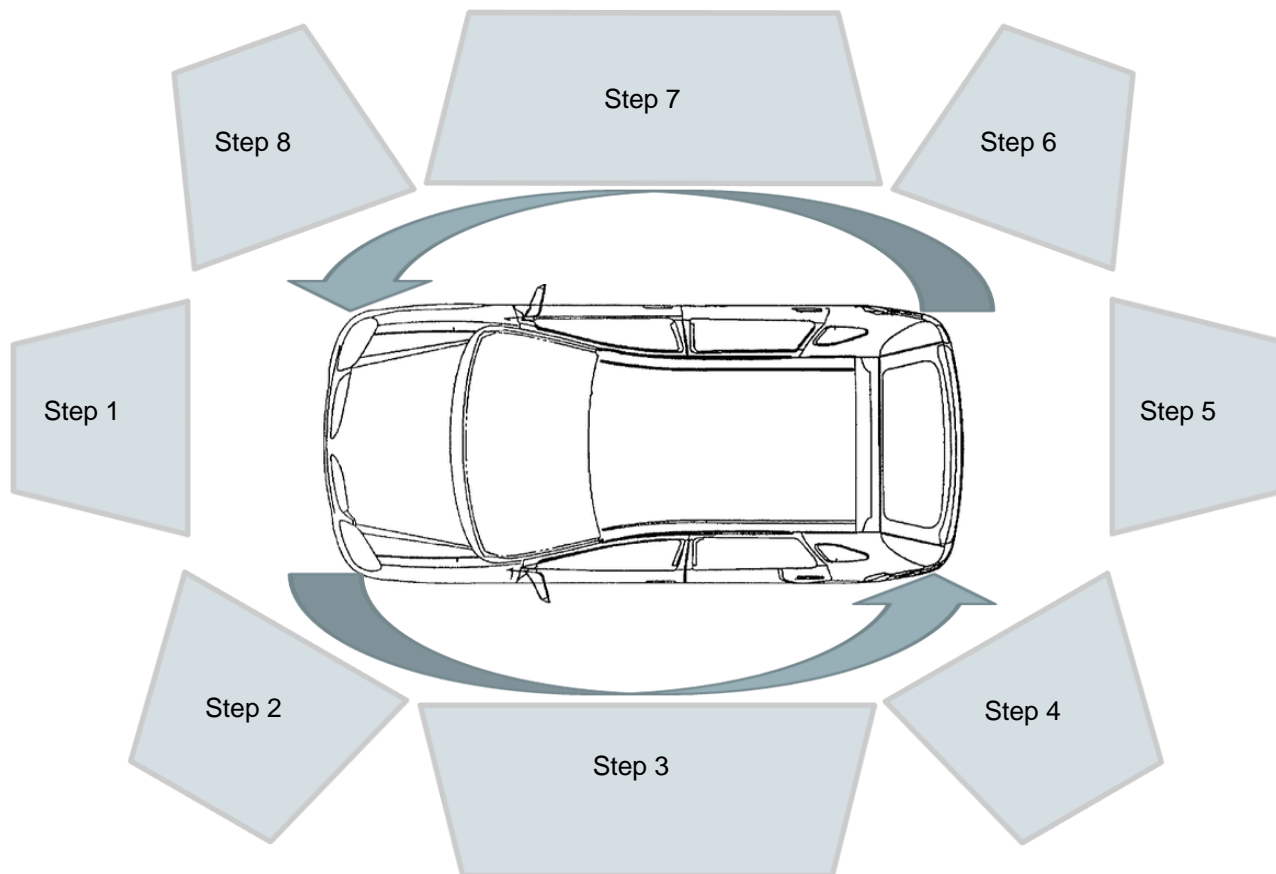
3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 1: Front Check
Detecting anomalies of the:
- ✓ windshield
- ✓ metal sheets
- ✓ lights
- ✓ bumper, spoiler, grille
- ✓ brand presence and integrity
- ✓ status of interior finishings and sheet metal
- ✓ aligned closing of the front compartment

Front

Windshield

Lower Front

3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 2: Check Front-Left Corner
Detecting anomalies of the:
- ✓ fenders
- ✓ wheel box
- ✓ mouldings

Front Corner - Left Side

Front Corner - L Side

Step 2: Check Front Wheel - Left Side
Detecting anomalies of the:
- ✓ tire conditions
- ✓ hub
- ✓ tire cover
- ✓ hubcap
- ✓ tire bolts

front wheel

front wheel

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3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 3: Check Broadside - Left Side

Detecting anomalies of the:

- ✓ doors
- ✓ state and operation of doors opening mechanisms
- ✓ mouldings
- ✓ assemblies
- ✓ Rear-view mirror
- ✓ window integrity
- ✓ gas tank closing (if present)

Broadside - L Side

Broadside - Side L

Step 3: Check Roof - Side Left

Detecting anomalies of the:

- ✓ sheet metal
- ✓ longitudinal bars (if present)
- ✓ mouldings
- ✓ sunroof integrity (if present)

Roof - L Side

Roof - L Side

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3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 4: Check Rear Corner - Left Side
Detecting anomalies of the:
- ✓ fenders
- ✓ wheel box
- ✓ mouldings
- ✓ lights

Rear Corner - L Side

Rear Corner - Side L

Step 4: Check Rear Wheel - L Side
Detecting anomalies of the:
- ✓ tire conditions
- ✓ hub
- ✓ tire cover
- ✓ hubcap
- ✓ tire bolts

Back Wheel

Back Wheel

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3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 5: Check Back

Detecting anomalies of the:

- ✓ rear window
- ✓ metal sheets
- ✓ bumper, spoiler
- ✓ presence and integrity of the brand and model identification inscription
- ✓ state and operation of rear compartment opening mechanisms
- ✓ state of interior finishings and sheet metal
- ✓ state of spare tire/wheel, tool kit, inflation kit
- ✓ alignment of rear compartment closing
- ✓ integrity of terminal exhaust pipe

| Rear | Rear compartment | Spare wheel/kit |

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3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 6: Check Rear Corner - SideR
Detecting anomalies of the:
- ✓ fenders
- ✓ wheel box
- ✓ mouldings
- ✓ lights

Rear Corner - R Side

Rear Corner - SideR

Step 6: Check Rear Wheel - Side R
Detecting anomalies of the:
- ✓ tire conditions
- ✓ hub
- ✓ tire cover
- ✓ hubcap
- ✓ tire bolts

Back Wheel R

Back Wheel R

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3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 3: Check on Broadside - SideR

Detecting anomalies of the:

- ✓ doors
- ✓ state and operation of doors opening mechanisms
- ✓ mouldings
- ✓ assemblies
- ✓ Rear-view mirror
- ✓ window integrity
- ✓ gas tank closing (if present)

Broadside - R Side

Broadside - R Side

Step 3: Check Roof - SideR

Detecting anomalies of the:

- ✓ sheet metal
- ✓ longitudinal bars (if present)
- ✓ mouldings
- ✓ sunroof integrity (if present)

Roof R Side

Roof - R Side

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3. Vehicle Appraisal Methodology

3.5 Detecting External Anomalies

Step 8: Check Front Corner - SideR
Detecting anomalies of the:
- ✓ fenders
- ✓ wheel box
- ✓ mouldings

Front Corner - R Side

Front Corner - Side R

Phase 8: Check Front Wheel - SideR
Detecting anomalies of the:
- ✓ tire conditions
- ✓ hub
- ✓ tire cover
- ✓ hubcap
- ✓ tire bolts

Front Wheel

Front Wheel

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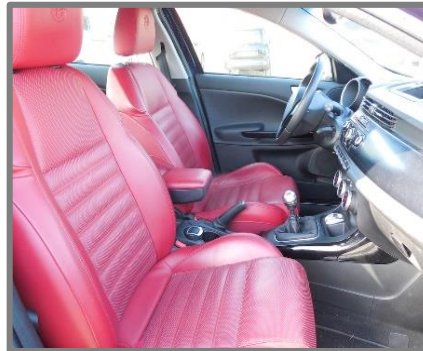# 3. Vehicle Appraisal Methodology

3.6 Detecting Internal Anomalies

Detecting anomalies of the:

- ✓ front and rear seats, head restraints and their operation
- ✓ seat belts , gear lever and handbrake
- ✓ air conditioning/ventilation commands and vents
- ✓ instrument panel, dashboard, tunnels, storage compartments
- ✓ operation of power windows
- ✓ operation of sunroof (if present)
- ✓ sun visors
- ✓ carpet
- ✓ radio, GPS (if provided)
- ✓ state of finishings, opening levers, handles, and door panels

Dashboard and Controls

Front seats and headrests

Rear seats and headrests

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3. Vehicle Appraisal Methodology

3.6 Detecting Internal Anomalies

Examples:

Steering wheel and cover

Door Panel and Controls

HVAC and Controls

Car radio and controls

Navigator

Other Accessories and Controls

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4. Evaluating anomalies detected in vehicles

In the following pages anomalies are classified in two distinct categories according to their importance for the purposes of immediate commercialization of the vehicle and use of the same in a safe condition:

- RELEVANT ⇨ anomaly to be photographed or reported in the Condition Report

- NOT RELEVANT ⇨ anomaly not to be photographed or reported in the Condition Report

For each anomaly illustrated, the classification to be used is clarified depending on the vehicle category, as identified during the appraisal. To facilitate assessment vehicles are grouped in the following three categories:

- motor vehicle with odometer reading not exceeding 100,000 km

> < 100,000 km

- motor vehicle with odometer reading over (or equal) to 100,000 km

> ≥ 100,000 km

- commercial vehicle (van/trailer with weight not exceeding 3500 kilos.)

> COMMERCIAL

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4. Evaluating anomalies detected in vehicles

4.1 Bodywork

| < 100.000 KM |
| ≥ 100,000 km |
| COMMERCIAL |

Scored moulding

| < 100.000 KM |
| ≥ 100,000 km |
| COMMERCIAL |

Mild line in bumper

| < 100.000 KM |
| ≥ 100,000 km |
| COMMERCIAL |

Painting Defect

| < 100.000 KM |
| ≥ 100,000 km |
| COMMERCIAL |

Chipping on bumper

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4. Evaluating anomalies detected in vehicles

4.1 Bodywork

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	📷

Broken grille

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	📷

Broken Rearview Mirror

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	📷

Broken Bumper

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	❌

Scratched bumper

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4. Evaluating anomalies detected in vehicles

4.1 Bodywork

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	🚫📷

Stamp on Tailgate

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	📷

Dents on sheet metal

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	📷

Lines on metal sheet

< 100.000 KM	🚫📷
≥ 100,000 km	🚫📷
COMMERCIAL	🚫📷

Lines on bumper not painted

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4. Evaluating anomalies detected in vehicles

4.2 Wheels

< 100.000 KM	📷 (red)
≥ 100,000 km	📷 (red)
COMMERCIAL	📷 (green, crossed out)

Broken wheel cover

< 100.000 KM	📷 (red)
≥ 100,000 km	📷 (red)
COMMERCIAL	📷 (green, crossed out)

Alloy Disc Scratched

< 100.000 KM	📷 (red)
≥ 100,000 km	📷 (green, crossed out)
COMMERCIAL	📷 (green, crossed out)

Hubcap Scratched

< 100.000 KM	📷 (red)
≥ 100,000 km	📷 (red)
COMMERCIAL	📷 (red)

Iron Disc Deteriorated

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4. Evaluating anomalies detected in vehicles

4.2 Wheels

< 100.000 KM 📷

≥ 100,000 km 📷

COMMERCIAL 📷

TIRE with detaching material

< 100.000 KM 📷

≥ 100,000 km 📷

COMMERCIAL 📷

TIRE Worn

< 100.000 KM 📷

≥ 100,000 km 📷

COMMERCIAL 📷

TIRE ruptured

< 100.000 KM 📷

≥ 100,000 km 📷

COMMERCIAL 📷

TIRE Worn

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4. Evaluating anomalies detected in vehicles

4.3 Windows

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	📷

Broken windshield

< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	🚫📷

Rear window scratched
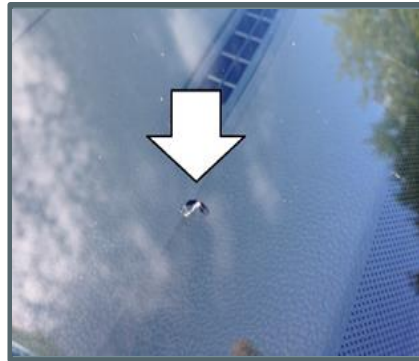
< 100.000 KM	📷
≥ 100,000 km	📷
COMMERCIAL	🚫📷

Chipped windshield Outside WFV
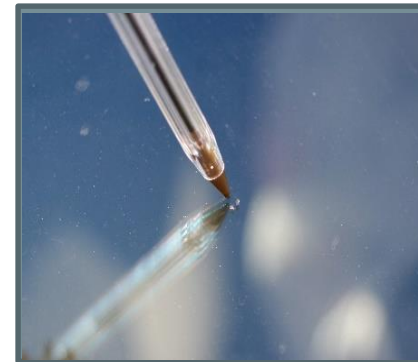
< 100.000 KM	🚫📷
≥ 100,000 km	🚫📷
COMMERCIAL	🚫📷

Small Chip in Windshield
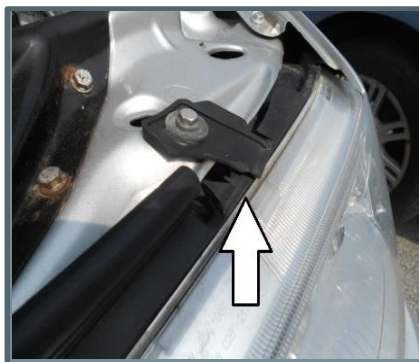
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4. Evaluating anomalies detected in vehicles

4.4 Lights

< 100.000 KM 📷

≥ 100,000 km 📷
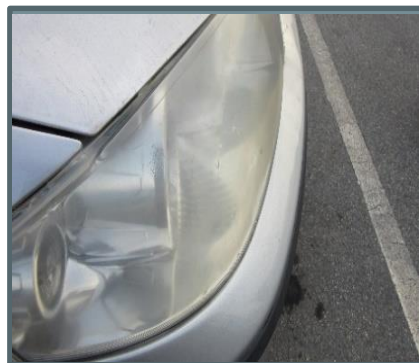
COMMERCIAL 📷

Secondary light broken

< 100.000 KM 📷

≥ 100,000 km 📷

COMMERCIAL 📷

Broken Headlight

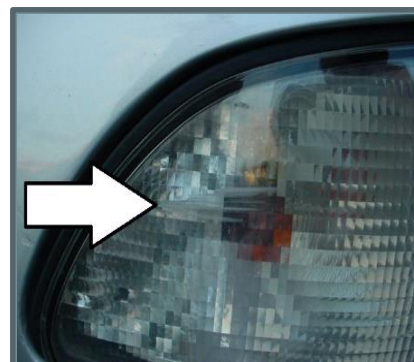

< 100.000 KM 📷

≥ 100,000 km 🚫

COMMERCIAL 🚫

Headlight glass opacified

< 100.000 KM 🚫

≥ 100,000 km 🚫

COMMERCIAL 🚫

Light scratched

4. Evaluating anomalies detected in vehicles

4.5 Interior

< 100.000 KM

≥ 100,000 km

COMMERCIAL

Seat stained

< 100.000 KM

≥ 100,000 km
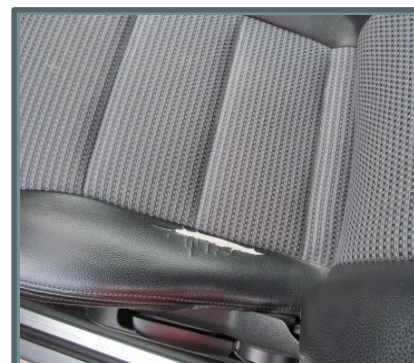
COMMERCIAL

Car radio removed

< 100.000 KM

≥ 100,000 km

COMMERCIAL

Roof stained

< 100.000 KM

≥ 100,000 km

COMMERCIAL

Seat worn

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5. Evaluating abnormalities detected in vehicles - Focus on commercial vehicles

For commercial vehicles (vans/trailers with a weight not exceeding 3500 kilos), as well as any general anomalies found in vehicles as in the preceding pages, it is important to detect the presence of tools/accessories intended for professional use (though without checking their functioning) such as platforms, arms for lifting loads, baskets, closing tarpaulins, refrigerating systems, isothermal coatings, tippers, etc.
In the following pages anomalies are classified as previously, in two distinct categories according to their relevance for the immediate commercialization of the vehicle:

➢ RELEVANT ⬡⇨ anomaly to be photographed or reported in the Condition Report

➢ NOT RELEVANT ⬡⇨ anomaly not to be photographed or reported in the Condition Report

4. Evaluating anomalies detected in vehicles

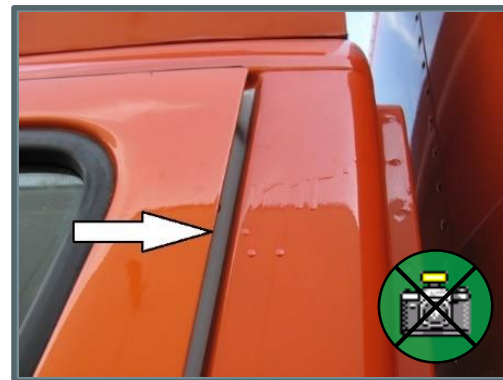## 4.1 Evaluation Examples

Truck box compartment

Chassis cab compartment

Paint defects

Side loading door stamp

Scratched mouldings

Stamps of sideboard

4. Evaluating anomalies detected in vehicles

4.2 Evaluation Examples

Broken Belt Attachments

Broken seat

Tearing of siding

Broken lights

Broken finishings

Deformed elements

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4. Evaluating anomalies detected in vehicles

4.2 Evaluation Examples

Steering wheel worn

Obvious dents

Warped hubs

Ruined driver's seat

Stained seats

Broken locks

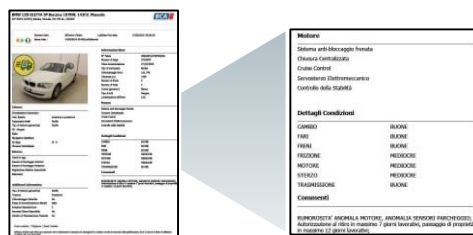# 6. Evaluating abnormalities detected in mechanical parts of vehicles

6.1 Detection Method

At the time of auction, the cars are not covered by the warranty and in general the vehicle Appraisal does not address the mechanical parts. However, the following things are checked (without a road test and without any disassembly of components): starting, coupling of the gear ratios and detection of abnormal noise. In particular, and major losses of fluid and obvious breaks anomalies noted by the dashboard lights (with the engine running, if possible) are detected. Any obvious anomaly is photographed or recorded in the *Condition Report* or in the "Condition Details" form of *Lot Description* viewable by buyers during the auction.

The verification is to be considered static, i.e. the vehicle is stationary and various components can be evaluated in three different states: BAD, for breakages, damages or obvious anomalies. AVARAGE for vehicles that have problems and GOOD for vehicles that do not show apparent anomalies. The states are always in relation to the aging of the vehicle and the mileage. The fourth state, NOT DEFINED, is used when you cannot check the wear.

These states are a starting point and their purpose is to simplify the buyer's evaluation of the mechanical condition of the vehicle; they are not binding on the BCA.

For vehicles that cannot be started, cannot be driven, have more than 180.000 kilometres, or are more than 9 years old, no mechanical inspection will be carried out and only major and obvious anomalies will be reported.

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6. Evaluating abnormalities detected in mechanical parts of vehicles

6.2 Evaluation Examples

< 100.000 KM

≥ 100,000 km

COMMERCIAL

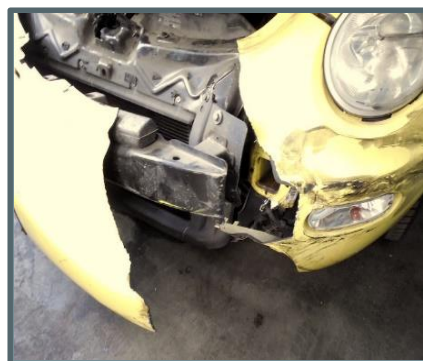Dashboard warning lights lit

< 100.000 KM

≥ 100,000 km

COMMERCIAL

Obvious oil leaks

< 100.000 KM

≥ 100,000 km

COMMERCIAL

Left train broken

< 100.000 KM

≥ 100,000 km

COMMERCIAL

Obvious loss of liquids

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