

UNDERTAKINGS TO THE OFFICE OF FAIR TRADING

We Buy Any Car Limited (the "**Company**") has agreed to provide undertakings to the Office of Fair Trading (the "**OFT**") in response to an investigation by the OFT and alleged breaches of the following:

- A The Consumer Protection from Unfair Trading Regulations 2008 (the "**CPRs**"); and
- B The Unfair Terms in Consumer Contracts Regulations 1999 (the "**UTCCRs**")

The giving of these undertakings is not an admission by or on behalf of the Company of any breach by it of the CPRs or the UTCCRs.

The Company gives the following undertakings to the OFT under section 219 of the Enterprise Act 2002 (the "**Act**"):

1. The Company will not provide an online valuation in respect of a consumer's vehicle without:
 - (i) making it clear to the consumer, both before and at the time when the valuation is communicated to the consumer, that:
 - (a) the online valuation is not a price at which the Company is offering to purchase the vehicle, but is a valuation that is based upon the consumer's own assessment of the condition of the vehicle, as set out by the consumer in the application for the valuation;
 - (b) the Company will not purchase the vehicle from the consumer without first carrying out its own assessment of the condition of the vehicle in the course of an onsite inspection, which may cause the Company to conclude that the value of the vehicle is different from the online valuation and to offer a price for the vehicle which accordingly differs from the online valuation;
 - (c) the online valuation will not take into account any unusual features or customisation that have not been drawn to the Company's attention, but the Company's own assessment of the condition of the vehicle will take into account such features or customisation;
 - (d) the online valuation will not take into account any aspect of the history of the vehicle that the Company did not know about at the time of the online valuation, but the price which the Company offers to pay for the vehicle following the onsite inspection will take into account all aspects of the history of the vehicle that the Company knows about then;
 - (e) a transaction fee may be payable by the consumer in respect of any sale of a vehicle to the Company.
 - (ii) making it clear to the consumer, both at the time when the valuation is communicated to the consumer and at the onsite inspection:
 - (a) that a transaction fee will be payable by the consumer in respect of any sale of a vehicle to the Company, together with an indication of the likely amount of the transaction fee, unless no such fee will be payable;

- (b) the different means available by which the Company will pay the price for the vehicle if it purchases it from the consumer and, where applicable, the amount of any charge for any specified means of payment.
 - (iii) making it clear to the consumer at the time when the valuation is communicated to the consumer that, in the event that any change in market factors between the date of the online valuation and the date of inspection may reduce the Company's valuation of the vehicle, the Company will use reasonable endeavours to inform the consumer, at least twenty-four hours before an inspection appointment, of the amount to which such change has reduced the valuation.
- 2. In the event that any change in market factors between the date of the most recent online valuation and the date of inspection reduces the Company's valuation of the vehicle, the Company will use reasonable endeavours to inform the consumer, at least twenty-four hours before any inspection appointment, of the amount to which such change has reduced the valuation. If the Company has not used reasonable endeavours to inform the consumer of that amount at least twenty-four hours before the appointment, the Company will not reduce the valuation based on any change in market factors.
- 3. The Company will not make statements to the effect that it is willing to pay the best price that a consumer could obtain for a vehicle in the second-hand car market unless the Company is willing to pay such a price for the vehicle.
- 4. The Company will not deduct from any valuation of a consumer's vehicle the amount of any refund that is available to the consumer from the DVLA in respect of vehicle tax.
- 5. The Company will not make statements on its website or in other communications to consumers that it is willing to buy any vehicle which is offered to it for a minimum net payment, unless:
 - (i) the Company is willing to do so; and
 - (ii) the Company will regard itself as bound by a pre-contractual representation to the effect that it will pay at least the amount of that minimum net payment for any vehicle to any consumer who offers to sell a vehicle to the Company as a result of having obtained an online valuation at a time when such a statement appeared on the Company's website or as a result of an online valuation which was otherwise communicated to the consumer together with such a statement.

For this purpose, any payment made by the Company on behalf of a consumer in repayment of finance outstanding in respect of a vehicle will be regarded as a payment to the consumer.

- 6. The Company will ensure that its practices and procedures, including its use of key performance indicators, targets and rewards, are effective to discourage and do not encourage any conduct on the part of its employees which results in the Company offering to buy a vehicle for a price which is less than the online valuation unless the difference between the online valuation and the price offered is no greater than an amount which reasonably reflects:
 - (i) aspects of the condition of the vehicle, including any unusual features or customisation, that were not apparent to the Company at the time of the online valuation;
 - (ii) aspects of the history of the vehicle that the Company did not know about at the time of the online valuation; and/or

- (iii) in circumstances where the Company has both complied with paragraph 1(iii) above and given the consumer the information referred to in paragraph 2 above at least twenty-four hours before the on-site inspection, but only then, any change in market factors.
7. The Company will not refer to the use of standard industry guidelines for assessing the value of vehicles unless such guidelines are published specifically for use in relation to the purchase of second-hand vehicles.
 8. The Company will use reasonable endeavours to maintain effective and transparent procedures for the reasonable and prompt handling of consumer complaints.
 9. The Company will use reasonable endeavours, so far as is compatible with its obligations under the Data Protection Act 1998, to maintain adequate and relevant records of its transactions with consumers for the purposes of ensuring that payment for any purchase is made in accordance with the terms of the purchase and for the purpose of enabling the Company to address any complaint or claim that may arise from such transactions.
 10. The Company will not use or recommend for use, enforce or otherwise rely upon contract terms which have the effect of:
 - (i) excluding any liability on the part of the Company for oral representations made by or on behalf of the Company;
 - (ii) excluding any liability on the part of the Company for, or arising out of, damage caused to a consumer's property by negligence;
 - (iii) making a consumer liable to the Company for not disclosing information about a vehicle which is outside the consumer's knowledge and which the consumer could not reasonably be expected to know;
 - (iv) excluding liability for consequential losses other than:
 - (a) loss of income or revenue;
 - (b) loss of business;
 - (c) loss of profits; or
 - (d) loss of anticipated savings.
 11. The Company will not make any statement on its website or in other communications to consumers to the effect that a valuation will be valid for a specified period of time unless it will be treated by the Company as valid for that period of time.
 12. The Company will not act in contravention of the undertakings given in paragraphs 1 to 11 above by its officers, employees, agents or otherwise.
 13. The Company will not assist, consent to or acquiesce in such conduct on the part of any person with whom the Company has a special relationship as defined in section 222(3) of the Act as would amount to contraventions of the undertakings given in paragraphs 1 to 12 above if such person were to have given such undertakings.

I am authorised to sign these undertakings on behalf of We Buy Any Car Limited.



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Mr Steven Nobes, Director



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Witness (print name)



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Witness' signature

Date: 14 March 2011

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