## Defining The Purpose of AutoGrade™

✓ AutoGrade™ provides consistency of condition grade assessment, across the industry, by removing subjectivity in the condition grade assignment.

✓ AutoGrade™ is a Manheim developed algorithm that has been made available to the entire wholesale inspection industry via AASC.(US Patent No 8,320,362)

✓ AutoGrade™ is based on the concept introduced in the NAAA established Condition Grade Scale Guidelines.

✓ Additionally, extensive research, data analysis, customer and user input has been included to ensure accuracy of a vehicle's calculated condition grade.

## How is AutoGrade™ Calculated?

✓ AutoGrade™ is a calculation of the overall vehicle condition based on an inspection process that provides a thorough disclosure condition report that captures vehicle conditions, damages and disclosures.

✓ AutoGrade™ compliant condition reports are written based on an industry standard instruction process to support consistency.

✓ AutoGrade™ takes into consideration the collective existing and repaired damages captured in the condition report when determining the grade.

# What does impact the AutoGrade™ ?

Item, Damage Type & Damage Severities and their impact on the grading calculations

### MAJOR GRADE REDUCTIONS

- Hail Damage*
- Poor Previous Repairs – Body
- Body Damage/Panel replacement*
- No Keys Present/Non- Drivable
- Structural Damage
- Limited Mechanical /Engine Damages**
- Fire – Flood – Biohazard

### MODERATE GRADE REDUCTIONS

- Glass / Windshield*
- Wheel Damage*
- Body Damage / Repair*
- Tire Replacement Required* (3/32nd or less)
- Interior Damages*
- Damaged / Missing Parts*

### MINOR GRADE REDUCTIONS

- Body Damage / Cosmetic*
- Bumpers / Partial*
- Tire Wear (4/32nd -7/32nd)
- Acceptable Previous Repairs (per body panel)

*Damage Size / Severity / Number of Occurrences per damage line item may have a graduated impact on total grade.
**Please Refer to the "NAAA Generic Condition Report Position Statement"

# What does not impact the AutoGrade™ ?

Mileage – Odometer Reading  •  Model Year  •  Manufacture / Make  •  Model / Trim Level  •  Color Options
Value Add Equipment  •  Aftermarket Items  •  MSRP  •  Announcements  •  Estimated Repair Costs

## For additional information contact your inspection provider or AASC.