



Vehicle Announcements – Position Statement

Updated June 1, 2026

With the goal of preventing and/or reducing arbitration claims, this position statement provides a summary of recommended announcements for vehicles with the most frequent arbitral concerns or defects. Included in this statement is a best practice guide that provides specific announcements and selling lights that will exempt related components from arbitration. NAAA strongly recommends that sellers use this guide when determining the most appropriate announcement for their vehicles.

The guide also provides clarity for buyers relative to typical defects or concerns that are covered by the associated announcement and, therefore, are not eligible for arbitration.

As the NAAA Arbitration Guidelines state, sellers are responsible for the accuracy and completeness of all representations or descriptions. Likewise, buyers are responsible for reviewing any verbal or written announcements and disclosures made by the seller, auction, auctioneer or selling representative.

Recommended Announcements

Effective Date: June 1, 2026



Major Component	Description of Concern or Defect		Announcement and Selling Light	Arbitration Impact
Engine	Upper Engine Noise	Lower Engine Noise	Engine Problem Yellow Light Required	Exempts Engine from Arbitration
	Timing Chain Issue or Noise	Turbo Codes		
	Engine Smoking From Exhaust	Misfire Codes		
	Check Engine Light	Cam and Crankshaft Position Codes		
	Engine Knock or Tick	Engine Overheating		
	Engine Wont Stay Running	Engine Running Rough		
	Oil Leak	Engine Misfire		
	Head Gasket Leak	Turbo Leak		
	Undetermined Engine Problem	Sludge		
	Other Engine Components	Cam Phasers		
Front or Rear Differential	Differential Noise	Differential Locking or Binding	Differential Problem Yellow Light Required	Exempts Differential from Arbitration
	Excessive Play/ Slack in the Differential	Differential Leak		
	Front Differential	Rear Differential		
Transmission	Transmission Slipping	Abnormal/ Hard Shifting	Transmission Problem Yellow Light Required	Exempts Transmission from Arbitration
	Transmission Shudder	Transmission Leaks		
	Acceleration Shudder	Transmission Whining		
	Delayed/ Harsh Engagement	Torque Converter Problem		
	Transmission Inoperable	Reverse Not Engaging		
	Specific Gears Not Functioning			
4X4	4X4 Not Engaging/ Disengaging	Transfer Case Overheating	4X4 System Problem Yellow Light Required	Exempts 4X4 from Arbitration
	HUB Locking Problem	Binding In 4 x 4		
	4X4 & 4WD Warning Light	Transfer Case Leaking		
Emissions	O2 Sensor Codes	Failed/Inoperable Catalytic Converter	Emissions Problem Yellow Light Required	Exempts Emissions from Arbitration
	Catalyst System Codes	Faulty or Damaged Mass Airflow Sensor	Emissions Modified Yellow Light Required	
	Aftermarket Modifications Affecting Emissions	Performance Tuned Emissions Components	Emissions Missing Yellow Light Required	
	Deleted Emissions Equipment	Missing Catalytic Converter		
ADAS	Adaptive Cruise Control Defect	Front and/ or Rear Camera Problem	ADAS Problem Yellow Light Required	Exempts ADAS Systems from Arbitration
	Collision Avoidance Malfunction	ADAS System Warning Lights		
	Automatic Braking Systems Failure	Backup or Parking Assist Malfunction		
	Blind Spot Detection Issue	Lane Departure Defect		
	Collision Damage ADAS Components			
Mechanical Alterations & Modifications	High Performance Super Chargers	Engine Tuners	Aftermarket Alterations/ Modifications (by component) Yellow Light Required	Exempts Alterations and Modifications from Arbitration
	Performance Tuned Emissions Components	Racing Camshafts		
	Aftermarket Turbocharger/Supercharger	Missing Components		
Electric or Hybrid Battery	Battery Pack Failure	Battery Pack Charge to 50% or Less	As Is	Exempts EV or Hybrid Battery from Arbitration
	Inverter Failure	Electric Motor	Red Light Recommended	
	Regenerative Braking Motor Issues	EV Motor Cooling System Failure	EV/Hybrid Battery Problem Yellow Light Required	
	Hybrid or Electric Charger INOP			
Structural Damage	Kinked A,B and C Pillars	Structural Tear Damage greater than 1"	Structural Damage Yellow Light Required	Exempts Structural Damage from Arbitration
	Kinked Frame Rails and Aprons	Excessive Rust and Corrosion that compromises Structural Components		
	Cross Member Cut or Damaged	Drilled Holes Larger than 5/8		
	Structural/ Frame Alterations			

Guideline Reminders: Restrictive Announcements

Sellers choosing to make a specific or restrictive announcement related to a problem with a major component (e.g. Upper Engine Noise) remain subject to arbitration claims related to other unspecified parts or features of that component (e.g. Lower Engine Concerns). Sellers are highly recommended to consider the above announcements to prevent and/or reduce arbitration claims.