

INSURANCE AUTO AUCTIONS, INC  
Form 424B3  
November 12, 2010

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-166047

PROSPECTUS SUPPLEMENT NO. 4

(to Prospectus dated April 22, 2010)

**KAR AUCTION SERVICES, INC.**

**\$150,000,000 Floating Rate Senior Notes Due 2014**

**\$450,000,000 8<sup>3</sup>/<sub>4</sub>% Senior Notes Due 2014**

**\$199,408,000 10% Senior Subordinated Notes Due 2015**

Attached hereto and incorporated by reference herein is our Current Report on Form 8-K filed with the Securities and Exchange Commission on November 12, 2010. You should read this Prospectus Supplement No. 4 in connection with the prospectus, dated April 22, 2010, including the prospectus supplements dated May 7, 2010, August 4, 2010 and November 4, 2010. This Prospectus Supplement No. 4 is qualified by reference to the prospectus, including the prospectus supplements dated May 7, 2010, August 4, 2010 and November 4, 2010, except to the extent that the information in this Prospectus Supplement No. 4 supersedes the information contained therein.

SEE RISK FACTORS BEGINNING ON PAGE 6 OF THE PROSPECTUS AND UNDER ITEM 1A IN THE ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2009 FOR A DISCUSSION OF CERTAIN RISKS YOU SHOULD CONSIDER BEFORE INVESTING IN THE NOTES.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

This prospectus has been prepared for and may be used by Goldman, Sachs & Co. in connection with offers and sales of the notes related to market-making transactions in the notes effected from time to time. Goldman, Sachs & Co. may act as principal or agent in these transactions. Such sales will be made at prevailing market prices at the time of sale, at prices related thereto or at negotiated prices. We will not receive any proceeds from such sales.

GOLDMAN, SACHS & CO.

November 12, 2010

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 12, 2010 (November 11, 2010)

**KAR Auction Services, Inc.**

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State of Incorporation)

**001-34568**  
(Commission

**20-8744739**  
(I.R.S. Employer

File Number)  
**13085 Hamilton Crossing Boulevard**

Identification No.)

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**Carmel, Indiana 46032**

**(Address of principal executive offices) (Zip Code)**

**(800) 923-3725**

**(Registrant's telephone number, including area code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01 Entry into a Material Definitive Agreement.**

On November 11, 2010, KAR Auction Services, Inc. (the Company) entered into the Third Amendment (the Amendment) to Credit Agreement, dated as of April 20, 2007 (as amended, the Credit Agreement), with JPMorgan Chase Bank, N.A., as administrative agent, and the several lenders party to the Amendment. The lenders entering into the Amendment constituted the requisite number to amend the Credit Agreement.

The Amendment allows the Company, on or after the effective date of the Amendment and so long as no Default or Event of Default (as defined in the Credit Agreement) has occurred and is continuing, to redeem, repurchase, defease or otherwise prepay a portion of its outstanding notes in an aggregate principal amount, together with all accrued and unpaid interest and all fees, premiums, disbursements or expenses (including any dealer manager fees and expenses) incurred in connection with or related to such redemption, repurchase, defeasement or other prepayment of such outstanding notes, not to exceed \$75 million.

Conditions to effectiveness of the Amendment include the Company's prepayment of a portion of the outstanding amount of its term loan under the Credit Agreement in an aggregate principal amount of not less than \$75 million and other customary conditions. On November 12, 2010, the Company prepaid \$75 million aggregate principal amount of its term loan.

Certain of the lenders and agents and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking, commercial banking and other services for the Company and its affiliates, for which they received or will receive customary fees and expenses.

The above description of the Amendment is not complete and is qualified in its entirety by reference to the full text of the Amendment, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K (this Report) and incorporated herein by reference. A copy of the Company's press release announcing the Amendment is filed as Exhibit 99.1 to this Report and incorporated herein by reference.

**Item 8.01 Other Events.**

On November 12, 2010, the Company issued a press release announcing the commencement of a cash tender offer for certain of its 10% Senior Subordinated Notes due 2015 and its 8<sup>3/4</sup>% Senior Notes due 2014.

A copy of the Company's press release is filed as Exhibit 99.2 to this Report and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

**Exhibit**

Number	Description
10.1	Third Amendment, dated as of November 11, 2010, to Credit Agreement, dated as of April 20, 2007, among KAR Auction Services, Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the several lenders party thereto
99.1	Press release dated November 12, 2010, announcing amendment to credit agreement
99.2	Press release dated November 12, 2010, announcing commencement of cash tender offer

**Forward-Looking Statements**

Certain statements contained in this Report include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and which are subject to certain risks, trends and uncertainties. In particular, statements made that are not historical facts may be forward-looking statements. Words such as should, may, will, anticipates, expects, intends, plans, believes, seeks, estimates, expressions identify forward-looking statements. Such statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results projected,

expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include those matters disclosed in the Company's Securities and Exchange Commission filings. The Company does not undertake any obligation to update any forward-looking statements.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 12, 2010

KAR Auction Services, Inc.

/s/ Rebecca C. Polak  
Rebecca C. Polak  
Executive Vice President and General Counsel

**EXHIBIT INDEX**

**Exhibit**

<b>Number</b>	<b>Description</b>
10.1	Third Amendment, dated as of November 11, 2010, to Credit Agreement, dated as of April 20, 2007, among KAR Auction Services, Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the several lenders party thereto
99.1	Press release dated November 12, 2010, announcing amendment to credit agreement
99.2	Press release dated November 12, 2010, announcing commencement of cash tender offer



Exhibit 10.1

EXECUTIVE VERSION

**THIRD AMENDMENT TO CREDIT AGREEMENT**

**Dated as of November 11, 2010**

This **THIRD AMENDMENT TO CREDIT AGREEMENT** (this Amendment ) is entered into between **KAR AUCTION SERVICES, INC.**, formerly known as KAR Holdings, Inc., a Delaware corporation (the Borrower ), the Lenders party hereto, **JPMORGAN CHASE BANK, N.A.** (the Administrative Agent ) and each of the other parties signatory hereto.

**PRELIMINARY STATEMENTS**

1. Reference is made to the Credit Agreement dated as of April 20, 2007 (as amended from time to time prior to the date hereof, the Credit Agreement ), among the Borrower, the lenders and agents party thereto from time to time, the Administrative Agent, and the other parties signatory thereto. Capitalized terms used but not otherwise defined herein are used with the meanings given in the Credit Agreement.
2. The Borrower has requested that the Required Lenders agree to amend the Credit Agreement as provided for herein.
3. The Required Lenders are willing to agree to such amendments to the Credit Agreement on the terms and subject to the conditions set forth herein.

*Now, therefore*, in consideration of the premises and the agreements, other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**AGREEMENT**

SECTION 1. **Amendments to Credit Agreement.** On the terms and subject to the conditions set forth herein:

(a) Section 1.1 of the Credit Agreement is amended by inserting in such subsection the following definitions in the appropriate alphabetical order:

Third Amendment : means that certain Third Amendment, dated as of November 11, 2010, by and between the Borrower, and the Lenders and the other parties signatory thereto.

Third Amendment Effective Date : means the date of satisfaction of the conditions to effectiveness referred to in Section 2 of the Third Amendment.

(b) Section 8.9 of the Credit Agreement is amended by inserting the following words at the end of the proviso to clause (a) thereof: (iv) on or after the Third Amendment Effective Date, so long as no Default or Event of Default has occurred and is continuing, the Borrower may redeem, repurchase, defease or otherwise prepay Unsecured Notes in an aggregate principal amount, together with all accrued and unpaid interest and all fees, premiums, disbursements or expenses (including any dealer manager fees and expenses) incurred in connection with or related to such redemption, repurchase, defeasement or other prepayment of such Unsecured Notes, not to exceed \$75,000,000,

SECTION 2. **Conditions to Effectiveness.** The amendments contained in Section 1 shall be effective upon satisfaction of each of the following conditions precedent:

(a) The Administrative Agent shall have received original, electronic or facsimile counterparts of this Amendment duly executed and delivered by Lenders constituting the Required Lenders and shall have received counterparts of this Amendment executed by the Borrower and counterparts of the Consent appended hereto as Exhibit A (the Consent ) executed by the Grantors, as defined in the Guarantee and Collateral Agreement (the Grantors );

(b) The Administrative Agent shall have received a counterpart to that certain Fee Letter ( Fee Letter ) dated as of even date herewith, by and between the Administrative Agent and the Borrower, executed and delivered by the Borrower, and all fees and expense reimbursements (including, without limitation, fees and expenses of counsel to the Agents and any invoiced fees and expenses payable under the Fee Letter) under the Fee Letter and the Loan Documents shall have been paid;

(c) The Administrative Agent shall have received from the Borrower, for account of each Lender which delivers its original, electronic or facsimile signature page to this Amendment no later than 5:00 p.m. (New York City time) on November 9, 2010 (the Cutoff Date ), payment of an amendment fee (which shall be fully earned, non-refundable, and payable on Third Amendment Effective Date (under and as defined in the Credit Agreement, after giving effect to this Amendment)) equal to 5 basis points (0.05%) of the aggregate outstanding amount of Term Loans and Revolving Commitments of such Lender as of the Cutoff Date (and, for the avoidance of doubt, prior to giving effect to any optional prepayment made pursuant to Section 4.1(a) of the Credit Agreement as contemplated by this Amendment); and

(d) On or after the date hereof, the Borrower shall have made an optional prepayment of a portion of the Term Loans in an aggregate principal amount no less than \$75,000,000 pursuant to Section 4.1(a) of the Credit Agreement and the Borrower shall have specified for purposes of Section 4.1(b) of the Credit Agreement that such prepayment be credited to the scheduled installments of the Term Loans in reverse order of maturity.

SECTION 3. **Representations and Warranties.** The Borrower represents and warrants that:

(a) Authority. The Borrower has the requisite power and authority to execute, deliver and perform its obligations under this Amendment and the Credit Agreement as amended hereby. Each Grantor has the requisite power and authority to execute, deliver and perform its obligations under the Consent and the Loan Documents, as amended hereby. The execution, delivery and performance by the Borrower of this Amendment and by the Grantors of the Consent, and the performance by each Loan Party of each Loan Document (as amended hereby) to which it is a party have been duly approved by all necessary organizational action of such Loan Party.

(b) Enforceability. This Amendment has been duly executed and delivered by the Borrower and the Consent has been duly executed and delivered by each Grantor. When the conditions to effectiveness in Section 2 of this Amendment have been satisfied, each of this Amendment, the Consent and each Loan Document (as amended hereby) is the legal, valid and binding obligation of each Loan Party party thereto, enforceable against such Loan Party in accordance with its terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought in proceedings in equity or at law).

(c) **Representations and Warranties.** The representations and warranties made by any Loan Party in or pursuant to the Loan Documents are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except to the extent that such representations and warranties refer to an earlier date (in which case they are true and correct in all material respects as of such earlier date).

(d) **No Default.** No Default or Event of Default shall have occurred and be continuing on the date hereof or after giving effect to this Amendment.

**SECTION 4. Reference to and Effect on the Loan Documents.**

(a) If and when this Amendment becomes effective, each reference in the Credit Agreement to this Agreement, hereunder, hereof or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to the Credit Agreement, thereunder, thereof or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as amended hereby.

(b) The Credit Agreement, as amended hereby, and the other Loan Documents are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Security Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations under and as defined in the Credit Agreement, as amended hereby.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Lender or Agent under any of the Loan Documents or constitute, except as expressly set forth herein, a waiver or amendment of any provision of any of the Loan Documents.

(d) This Amendment is a Loan Document. The provisions of Sections 11.12 and 11.16 of the Credit Agreement shall apply with like effect to this Amendment.

**SECTION 5. Counterparts.** This Amendment (including all consents and authorizations relating hereto) and the Consent may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment (or any consent or authorization relating hereto) or the Consent by electronic transmission or facsimile shall be effective and enforceable as delivery of a manually executed counterpart thereof. The Administrative Agent will not have any responsibility for determining whether (and makes no representation as to whether) any such counterpart has been duly authorized, executed or delivered or is enforceable against any party hereto.

**SECTION 6. GOVERNING LAW.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

*[signature pages follow]*

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first written above.

**KAR AUCTION SERVICES, INC.  
(FORMERLY KNOWN AS KAR HOLDINGS, INC.)**

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT

**JPMORGAN CHASE BANK, N.A.**  
as Administrative Agent

By: */s/ Randall K. Stephens*  
Name: Randall K. Stephens  
Title: Vice President

THIRD AMENDMENT TO CREDIT AGREEMENT

Required Lenders:

**[NAME OF LENDER]**

By: \*

Name: \*

Title: \*

\* **This Amendment was executed by authorized signatories of 84 lenders.**

THIRD AMENDMENT TO CREDIT AGREEMENT

**EXHIBIT A**

**CONSENT**

**Dated as of November 11, 2010**

The undersigned, as Grantors under the Guarantee and Collateral Agreement and, as applicable, as parties to the other Security Documents, hereby consent and agree to the foregoing Third Amendment dated as of November 11, 2010 (the Third Amendment ), by and between the Borrower and the Lenders party thereto, and hereby confirm and agree that (i) each of the Guarantee and Collateral Agreement and the other Security Documents is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that, upon the effectiveness of, and on and after the date of, said Third Amendment, each reference therein to the Credit Agreement , thereunder , thereof and words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as amended by said Third Amendment and (ii) the Guarantee and Collateral Agreement, the other Security Documents and all of the Collateral described in the foregoing do, and shall continue to, secure the payment and performance of all of the Obligations as defined in the Guarantee and Collateral Agreement, after giving effect to said Third Amendment.

*[Signature pages follow]*

THIRD AMENDMENT TO CREDIT AGREEMENT

KAR AUCTION SERVICES, INC.  
(FORMERLY KNOWN AS KAR HOLDINGS, INC. )

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

INSURANCE AUTO AUCTIONS, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

ADESA CORPORATION, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT



A.D.E. OF ARK-LA-TEX, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

A.D.E. OF KNOXVILLE, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA ARK-LA-TEX, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA ARKANSAS, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA ATLANTA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA BIRMINGHAM, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT

ADESA CALIFORNIA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA CHARLOTTE, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA COLORADO, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA DES MOINES, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA FLORIDA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA IMPACT TEXAS, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT

ADESA INDIANAPOLIS, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA LANSING, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA LEXINGTON, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA MISSOURI, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA NEW JERSEY, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA NEW YORK, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT

ADESA OHIO, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA OKLAHOMA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA PENNSYLVANIA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA PHOENIX, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA SAN DIEGO, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA-SOUTH FLORIDA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT

ADESA SOUTHERN INDIANA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA TEXAS, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA VIRGINIA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA WISCONSIN, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ASSET HOLDINGS III, L.P.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

AUTO DEALERS EXCHANGE OF CONCORD, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT

AUTO DEALERS EXCHANGE OF MEMPHIS, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

AUTOMOTIVE FINANCE CORPORATION

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President

AUTOMOTIVE RECOVERY SERVICES, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

AUTOVIN, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

PAR, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

AFC CAL, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President

THIRD AMENDMENT TO CREDIT AGREEMENT

AXLE HOLDINGS, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

INSURANCE AUTO AUCTIONS CORP.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

IAA SERVICES, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

IAA ACQUISITION CORP.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

AUTO DISPOSAL SYSTEMS, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

ADS PRIORITY TRANSPORTS, LTD.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

THIRD AMENDMENT TO CREDIT AGREEMENT

ADS ASHLAND, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Authorized Signatory Officer

ZABEL & ASSOCIATES, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

SIOUX FALLS AUTO AUCTIONS, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

TRI-STATE AUCTION CO., INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

SALVAGE DISPOSAL COMPANY OF GEORGIA

By: */s/ Sidney L. Kerley*  
Name: Sidney L. Kerley  
Title: Secretary

LIVEBLOCK AUCTIONS INTERNATIONAL, INC.

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

THIRD AMENDMENT TO CREDIT AGREEMENT



AUTOMOTIVE FINANCE CONSUMER DIVISION,  
LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President

ADESA DEALER SERVICES, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President

DENT DEMON, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

ADESA MINNESOTA, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

CARBUYCO, LLC

By: */s/ Eric M. Loughmiller*  
Name: Eric M. Loughmiller  
Title: Executive Vice President and CFO

AUTO PORTFOLIO SERVICES, LLC

By: */s/ James E. Money, II*  
Name: James E. Money, II  
Title: Chief Financial Officer and Treasurer

THIRD AMENDMENT TO CREDIT AGREEMENT

INSURANCE AUTO AUCTIONS TENNESSEE LLC

By: */s/ Sidney L. Kerley*

Name: Sidney L. Kerley

Title: Secretary

THIRD AMENDMENT TO CREDIT AGREEMENT

November 12, 2010

*For Immediate Release*

Eric Loughmiller

Executive Vice President and Chief Financial Officer

317-249-4254

[eric.loughmiller@karauctionservices.com](mailto:eric.loughmiller@karauctionservices.com)

**KAR Auction Services Announces Credit Agreement Amendment**

*Carmel, IN* KAR Auction Services, Inc. (NYSE: KAR) announced today that it has entered into an amendment to its \$1.865 billion senior credit facility.

The amendment will provide the company the flexibility to use cash on hand to redeem, repurchase, defease or otherwise prepay a portion of its outstanding notes in an aggregate principal amount, together with all accrued and unpaid interest and all fees, premiums, disbursements or expenses (including any dealer manager fees and expenses) incurred in connection with or related to such redemption, repurchase, defeasement or other prepayment of such outstanding notes, not to exceed \$75 million.

Pursuant to the amendment, the company has also prepaid a portion of the outstanding amount of its term loan under the senior credit facility in an aggregate principal amount of \$75 million.

**About KAR Auction Services**

KAR Auction Services, Inc. (NYSE: KAR) is the holding company for ADESA, Inc., a leading provider of wholesale used vehicle auctions whose operations span North America with 70 used vehicle sites, Insurance Auto Auctions, Inc., a leading salvage auto auction company whose operations span North America with 159 sites, and Automotive Finance Corporation, a leading provider of floorplan financing to independent and franchised used vehicle dealers with 88 sites across North America. For further information on KAR Auction Services, Inc., ADESA, Inc., Insurance Auto Auctions, Inc. or Automotive Finance Corporation, visit the company's website at [www.karauctionservices.com](http://www.karauctionservices.com).

Certain statements contained in this release include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and which are subject to certain risks, trends and uncertainties. In particular, statements made that are not historical facts may be forward-looking statements. Words such as should, may, will, anticipates, expects, intends, plans, believes, seeks, estimates, expressions identify forward-looking statements. Such statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from the results projected, expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include those matters disclosed in the Company's Securities and Exchange Commission filings. The Company does not undertake any obligation to update any forward-looking statements.

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November 12, 2010

*For Immediate Release*

Eric Loughmiller

Executive Vice President and Chief Financial Officer

317-249-4254

[eric.loughmiller@karauctionservices.com](mailto:eric.loughmiller@karauctionservices.com)**KAR Auction Services Announces Cash Tender Offer for Notes**

Carmel, IN KAR Auction Services, Inc. (the Company) today announced that it commenced a cash tender offer for an aggregate principal amount of its 10% Senior Subordinated Notes due 2015 (CUSIP No. 48238QAF2) (the First Priority Notes) and its 8% Senior Notes due 2014 (CUSIP No. 48238QAE5) (the Second Priority Notes and, together with the First Priority Notes, the Notes) such that the maximum aggregate principal amount of Notes purchased in the tender offer, together with applicable premiums paid in connection with the tender offer but excluding accrued and unpaid interest, will be \$73,500,000. The terms and conditions of the tender offer are described in an Offer to Purchase, dated November 12, 2010 (the Offer to Purchase), and a related Letter of Transmittal, which are being sent to holders of Notes.

CUSIP Number	Title of Security	Acceptance Priority Level	Aggregate Principal Amount Outstanding	Late Tender Offer Consideration <sup>(1)</sup>	Early Tender Premium <sup>(1)</sup>	Total Tender Offer Consideration <sup>(1)</sup>
48238QAF2	10% Senior Subordinated Notes due 2015	1	\$ 199,408,000	\$ 1,050	\$ 30	\$ 1,080
48238QAE5	8 3/4% Senior Notes due 2014	2	\$ 450,000,000	\$ 1,013.75	\$ 30	\$ 1,043.75

(1) Per \$1,000 principal amount of Notes accepted for purchase.

Holders of Notes must validly tender and not validly withdraw their Notes on or before 5:00 p.m., New York City time, on December 1, 2010, unless extended (such date and time, as the same may be extended, the Early Tender Date) in order to be eligible to receive the applicable Total Tender Offer Consideration. Holders of Notes who validly tender their Notes after the Early Tender Date and on or before the Expiration Date (as defined below) will be eligible to receive only the applicable Late Tender Offer Consideration, which is equal to the applicable Total Tender Offer Consideration minus the applicable Early Tender Premium, as set forth in the table above. In addition to the applicable Tender Offer Consideration, holders whose Notes are accepted for purchase in the tender offer will receive accrued and unpaid interest to, but excluding, the date on which the tender offer is settled, which currently is expected to be December 15, 2010.

The tender offer will expire at 11:59 p.m., New York City time, on December 14, 2010, unless extended (such date and time, as the same may be extended, the Expiration Date). As set forth in the Offer to Purchase, validly tendered Notes may be validly withdrawn at any time on or before 5:00 p.m., New York City time, on December 1, 2010, unless extended.

The consummation of the tender offer is subject to the satisfaction of certain conditions as set forth in the Offer to Purchase. The Company reserves the right, in its sole discretion, to waive any and all conditions to the tender offer with respect to one or both of the First Priority Notes and the Second Priority Notes (each a "tranche" of Notes).

The aggregate principal amount of each tranche of Notes that is purchased in the tender offer will be based on the Acceptance Priority Level for such tranche as set forth in the table above and subject to proration and other terms set forth in the Offer to Purchase.

The Company's obligations to accept any Notes tendered and to pay the applicable consideration for them are set forth solely in the Offer to Purchase and the related Letter of Transmittal. This press release is neither an offer to purchase nor a solicitation of an offer to sell any Notes. The tender offer is made only by, and pursuant to the terms of, the Offer to Purchase, and the information in this news release is qualified by reference to the Offer to Purchase and the related Letter of Transmittal. Subject to applicable law, the Company may amend, extend, waive conditions to or terminate the tender offer.

Goldman, Sachs & Co. is the Dealer Manager for the tender offer. Persons with questions regarding the tender offer should contact Goldman, Sachs & Co. at (212) 902-5183 or (toll-free) (800) 828-3182 (Attention: Liability Management Group). Requests for copies of the Offer to Purchase, the related Letter of Transmittal and other related materials should be directed to Global Bondholder Services Corporation, the Information Agent and Depositary for the tender offer, at (212) 430-3774 (for banks and brokers only) or (866) 294-2200 (for all others and toll-free).

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