



FOR IMMEDIATE RELEASE

IAA Loan Payoff™ Enhanced with Dealertrack Payoff Quote™ Feature

New Functionality Accelerates Cycle Time and Supports Digital Claims

WESTCHESTER, IL – October 01, 2020 – IAA, Inc. (NYSE: IAA), a leading global digital marketplace connecting vehicle buyers and sellers, announces the enhancement of its Loan Payoff product with Dealertrack Payoff Quote. The new feature provides immediate payoff amounts from top lenders across the country, which may decrease the total loss claims cycle time by allowing insurance providers faster access to vehicle lien information and securing the titles from lenders. The IAA Loan Payoff platform also supports the industry’s move to a digital claims model.

IAA estimates more than 5 million vehicles are declared a total loss each year, with up to 70% of those vehicles carrying a loan.¹ Typically, it takes 45 to 90 days to secure a vehicle title for a total loss claim. The IAA Loan Payoff solution can reduce that cycle time by up to 50%, which also can result in greatly reduced storage costs and vehicle depreciation.

According to [the latest forecasting](#) from Cox Automotive’s Chief Economist, Jonathan Smoke, new car sales volume in September is expected to be near 1.275 million units, nearly equal to year-ago levels. Additionally, industry data reports collision claim severity and the percentage of vehicles deemed a total loss continues to increase.² These indicators present opportunities for many players across the total loss space and the wider automotive ecosystem, who depend on the payoff of liens and release of titles to operate their businesses.

"The continued enhancement of IAA Loan Payoff is providing real, measurable benefit to our insurance provider customers as well as lenders," said Tim O’Day, president of U.S. operations for IAA. "Payoff Quote is another tool on the digital Loan Payoff platform that further streamlines workflows and speeds up the loan payoff and title release process. Loan Payoff is not just reducing costs and time associated with total loss claims, it is how IAA is innovating towards a virtual claims process."

“We have helped our dealer community pay off over 500,000 trade-in vehicles since October 2015³ using Accelerated Title, which reduces title release times by nearly 70%⁴. This improves sales velocity and the bottom line,” said Kait Gavin, vice president of operations for Dealertrack Registration and Title Solutions. “Expanding our collaboration with IAA allows us to deliver this same great value to insurers by providing access to vehicle lien information and securing titles from lenders more quickly and efficiently than ever.”

Launched in November of 2019, IAA Loan Payoff has thousands of regional to national lenders on the platform today and continues to expand. For more information on IAA Loan Payoff, visit IAAI.com.

¹ IAA 2019 Data.

² <https://www.cccis.com/wp-content/uploads/2020/09/Trends-Sept-FINAL.pdf>

³ Dealertrack data: October 2015 – September MTD 2020.

⁴ Based on average industry timeframe for vehicle title release and vehicle payoff process of 18+ days, as determined by Dealertrack data.

About IAA

IAA, Inc. (NYSE: IAA) is a leading global digital marketplace connecting vehicle buyers and sellers. Leveraging leading-edge technology and focusing on innovation, IAA’s unique platform facilitates the marketing and sale of total-loss, damaged and low-value vehicles. Headquartered near Chicago in Westchester, Illinois, IAA has nearly 4,000 talented employees and more than 200 facilities throughout the U.S., Canada and the United Kingdom. IAA serves a rapidly growing global buyer base – located throughout over 170 countries – and a full spectrum of sellers, including insurers, dealerships, fleet lease and rental car companies, and charitable organizations. Buyers have access to multiple digital bidding and buying channels, innovative vehicle merchandising, and efficient evaluation services, enhancing the overall purchasing experience. IAA offers sellers a comprehensive suite of services aimed at maximizing vehicle value, reducing administrative costs, shortening selling cycle time and delivering the highest economic returns. For more information visit IAAI.com, and follow IAA on [Facebook](#), [Twitter](#), [Instagram](#), [YouTube](#) and [LinkedIn](#).

Uncertainties Affecting Forward-Looking Statements

Certain statements contained in this release include “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, statements made that are not historical facts may be forward-looking statements and can be identified by words such as “should,” “may,” “will,” “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” and similar expressions. In this release, such forward-looking statements include

statements regarding the expected timing and associated benefits of the IAA Loan Payoff or the Dealertrack Payoff Quote feature to our customers and company generally. Such statements are based on management's current expectations, 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. These risks and uncertainties include, but are not limited to: uncertainties regarding the duration and severity of the COVID-19 pandemic and measures intended to reduce its spread; the loss of one or more significant vehicle seller customers or a reduction in significant volume from such sellers; our ability to meet or exceed customers' demand and expectations; significant current competition and the introduction of new competitors or other disruptive entrants in our industry; the risk that our facilities lack the capacity to accept additional vehicles and our ability to obtain land or renew/enter into new leases at commercially reasonable rates; our ability to effectively maintain or update information and technology systems; our ability to implement and maintain measures to protect against cyberattacks and comply with applicable privacy and data security requirements; our ability to successfully implement our business strategies or realize expected cost savings and revenue enhancements, including from our margin expansion program; business development activities, including acquisitions and integration of acquired businesses; our expansion into markets outside the U.S. and the operational, competitive and regulatory risks facing our non-U.S. based operations; our reliance on subhaulers and trucking fleet operations; changes in used-vehicle prices and the volume of damaged and total loss vehicles we purchase; economic conditions, including fuel prices, commodity prices, foreign exchange rates and interest rate fluctuations; trends in new- and used-vehicle sales and incentives; and other risks and uncertainties identified in our filings with the Securities and Exchange Commission (the "SEC"), including under Item 1A "Risk Factors" in our Annual Report on Form 10-K for the year ended December 29, 2019 filed with the SEC on March 18, 2020, and our Quarterly Report on Form 10-Q filed with the SEC on August 4, 2020, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the SEC, including subsequent Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K. Many of these risk factors are outside of our control, and as such, they involve risks which are not currently known that could cause actual results to differ materially from those discussed or implied herein. Additional information regarding risks and uncertainties will also be contained in subsequent annual and quarterly reports we file with the SEC. The forward-looking statements included in this release are made as of the date hereof, and we undertake no obligation to publicly update or revise any forward-looking statement to reflect new information or events, except as required by law.

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