

NEW HAMPSHIRE LEMON LAW SUMMARY

EXECUTIVE SUMMARY	
TIME PERIOD FOR FILING CLAIMS	One year following the later of (1) the expiration of the express warranty term or (2) the manufacturer's final repair attempt of the nonconformity that gave rise to the consumer's request for repurchase or replacement.
ELIGIBLE VEHICLE	If purchased or leased in New Hampshire: (1) A motor vehicle of the private passenger or station wagon type not exceeding 9,000 pounds GVW, that is purchased or leased by a consumer; (2) any other four-wheel motor vehicle not exceeding 9,000 pounds GVW; and (3) motorcycles and off-highway recreational vehicles. Excludes tractors, mopeds, snow-traveling vehicles, mobile homes, and house trailers. Covers used vehicles if still under the manufacturer's express warranties.
ELIGIBLE CONSUMER	(1) Purchaser , other than for purposes of resale; (2) lessee , other than for purposes of sublease; (3) any person to whom the motor vehicle is transferred during the duration of an express warranty applicable to the motor vehicle; and (4) any other person entitled by the terms of the warranty to enforce its obligations. Excludes any governmental entity.
TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE	During the term of the warranty.
TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR	Not specified.
PRESUMPTION OR DEFINITION	Presumption: during the term of the express warranty, either (1) at least three repair attempts or (2) out of service for 30 or more business days.
NOTICE TO MANUFACTURER	After third repair attempt or out of service for 30 business days, written notice of nonconformity, claim for replacement or repurchase, and election to either informal dispute settlement procedure or state-operated arbitration board.
FINAL OPPORTUNITY TO REPAIR	Within 40 days after written notice.
REASONABLE ALLOWANCE	Refund only: consumer's miles up to date of first repair attempt divided by 100,000, multiplied by purchase price or lessee's deposit and payments. (Motorcycles: divide by 20,000.)
DISPUTE RESOLUTION	Consumer elects informal dispute settlement procedure or state-operated arbitration.
DISCLOSURE TO SUBSEQUENT PURCHASER	No.
TITLE BRANDING	No.

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 3/10/2004 © 2004, Council of Better Business Bureaus, Inc.**

NEW HAMPSHIRE LEMON LAW SUMMARY	
1. Citation	New Hampshire Rev. Stat. §§ 357-D:1 through 357-D:12.
2. Motor vehicle covered	Covers the following types of vehicles if purchased or leased in New Hampshire: (1) A motor vehicle of the private passenger or station wagon type with a gross weight not exceeding 9,000 pounds, that is purchased or leased by a consumer; (2) Any other four-wheel motor vehicle with a gross weight not exceeding 9,000 pounds; and (3) Motorcycles and off-highway recreational vehicles. Excludes tractors, mopeds, snow-traveling vehicles, mobile homes, and house trailers. “New motor vehicle” is a passenger motor vehicle that is still under the manufacturer’s express warranty.
3. Consumer covered	(1) The purchaser, other than for purposes of resale, of a new motor vehicle; (2) The lessee, other than for purposes of sublease, of a new motor vehicle; (3) Any person to whom the motor vehicle is transferred during the duration of an express warranty applicable to the motor vehicle; and (4) Any other person entitled by the terms of the warranty to enforce its obligations. Excludes any governmental entity.
4. Nonconformity defined	A defect or condition that substantially impairs the use, value, or safety of a motor vehicle, but does not include a defect or condition that results from an accident, abuse, neglect, modification, or alteration of the motor vehicle by persons other than the manufacturer or its authorized service agent.
5. Warranty defined	“Warranty” includes express warranties as defined in the Uniform Commercial Code, plus any written warranty of the manufacturer.
6. Lemon law rights period	Not specified.
7. Manufacturer’s obligation to repair	If a new motor vehicle does not conform to all applicable express warranties, and the consumer reports the nonconformity to the manufacturer, its agent or authorized dealer during the term of the warranty, then the manufacturer must make or cause to be made the necessary repairs to conform the new motor vehicle to the warranties. The necessary repairs must be made even if the term of the warranty has expired.
8. Manufacturer’s obligation to repurchase or replace	If the manufacturer, its agent or authorized dealer or its delegate is unable, after a <i>reasonable number of attempts</i> , to conform the motor vehicle to any express warranty by repairing or correcting any defect or condition covered by the warranty that substantially impairs the use, market value, or safety of the motor vehicle to the consumer, the manufacturer must, at the option of the consumer, either replace or repurchase the motor vehicle. The consumer may not pursue a lemon law remedy if the consumer has discontinued finance or lease payments, provided the payments have been discontinued due to the manufacturer’s breach of obligation under the lemon law or breach of warranty.
9. Criteria for reasonable number of repair attempts	Presumed if, during the term of the express warranty, either of the following occurs: (1) The same nonconformity, as identified in any written examination or repair order, has been subject to repair at least three times by the manufacturer, its agent or authorized dealer and the same nonconformity continues to exist; or (2) The motor vehicle is out of service for repair of one or more nonconformities for a cumulative total of 30 or more business days. The attempt at repair must be evidenced by a written examination or repair order issued by the manufacturer, its agent or authorized dealer. The three attempts at repair must be performed by the same agent or authorized dealer unless the consumer shows good cause for taking the motor vehicle to a different agent or authorized dealer. A motor vehicle is not deemed to be out of service if it is available to the consumer for a major part of the day.

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 3/10/2004 © 2004, Council of Better Business Bureaus, Inc.**

<p>10. Notice of nonconformity and final opportunity to repair</p>	<p>After the third repair attempt to repair or correct the nonconformity, or after the motor vehicle is out of service to repair or correct one or more nonconformities for 30 cumulative business days, the consumer must notify the manufacturer and lessor in writing of the nonconformity and the consumer's claim for replacement or repurchase. The written notice must be on a form provided by the manufacturer at the time of the motor vehicle's original delivery.</p> <p>On the written notice, the consumer will elect to use the dispute settlement mechanism established by the manufacturer or the state-operated arbitration board. Arbitration must be held within 40 days after receipt by the manufacturer or the state board of the written notice. Within this 40 day period, the manufacturer must be given a final opportunity to correct and repair the nonconformity.</p>
<p>11. Affirmative defenses</p>	<p>It is an affirmative defense that:</p> <p>(1) The alleged nonconformity does not substantially impair the use, market value, or safety; or</p> <p>(2) The nonconformity is the result of abuse, neglect, or unauthorized modifications or alterations of the motor vehicle by a consumer.</p>
<p>12. Refund</p>	<p>Purchased Vehicle</p> <p>Refund consists of:</p> <p>(1) The full purchase price as indicated on the purchase contract, including all credits and allowances for any trade-in or down payment;</p> <p>(2) License fees, finance charges, credit charges, registration fees, and any similar charges; and</p> <p>(3) Incidental and consequential damages;</p> <p>(4) Less a reasonable allowance for use.</p> <p>Leased Vehicle</p> <p><i>To the lessor:</i></p> <p>(1) The lessor's actual purchase cost, less payments made by the lessee;</p> <p>(2) The freight cost, if applicable;</p> <p>(3) The cost for dealer- or manufacturer-installed accessories, if applicable;</p> <p>(4) Any fee paid to another to obtain the lease; and</p> <p>(5) An additional 5% of the lessor's actual purchase cost, provided instead of any early termination costs.</p> <p><i>To the lessee:</i></p> <p>(1) The aggregate deposit, including but not limited to all cash payments and trade-in allowances tendered by the lessee to the lessor under the lease agreement;</p> <p>(2) Rental payments previously paid to the lessor by the lessee; and</p> <p>(3) Incidental and consequential damages, if applicable;</p> <p>(4) Less a reasonable allowance for use.</p> <p>Upon a decision in favor of the lessee, the lease agreement with the lessor and all contractual obligations are terminated. The lessee is not liable for any further costs or charges to the manufacturer or lessor under the lease agreement. The lessor must release the motor vehicle title to the manufacturer upon payment by the manufacturer of the specified amounts.</p>
<p>13. Replacement</p>	<p>Replacement is a new motor vehicle from the same manufacturer, if available, of comparable worth to the same make and model, with all options and accessories and with appropriate adjustments being allowed for any model year differences.</p>
<p>14. Reasonable allowance</p>	<p>Applies to a refund but not to a replacement. The reasonable allowance for use is that amount directly attributable to use by the consumer, and is calculated as follows:</p> <p>For purchased vehicles –</p> <p># miles vehicle traveled attributable to use by the consumer up to the date of the first attempt at repairing the vehicle</p> <p>----- X purchase price</p> <p>100,000</p>

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 3/10/2004 © 2004, Council of Better Business Bureaus, Inc.**

	<p>For leased vehicles –</p> $\frac{\text{\# miles vehicle traveled attributable to use by the consumer up to the date of the first attempt at repairing the vehicle}}{100,000} \times \text{aggregate deposit and rental payments made by the lessee}$ <p>For motorcycles and off-highway recreational vehicles, the denominator is 20,000 if the engine size is 250 cubic centimeters or smaller, or 40,000 if the engine size is greater than 250 cubic centimeters.</p>
15. Refund of sales tax	Not specifically referenced, but sales tax could be included in the types of charges to be refunded. (Note that New Hampshire does not assess a sales tax.) No provision for the manufacturer to obtain a refund of sales tax from the state.
16. Enhanced damages	Not specified, although failure of the manufacturer or distributor to comply with a decision by the state-operated arbitration board is an unfair or deceptive practice.
17. Attorney's fees	In an action by a consumer for alleged breach of an express warranty, the court may award to the consumer costs and reasonable attorney's fees. If the court determines that the action was brought with no substantial justification, it may award costs and attorney's fees to the defendant.
18. Statute of limitations	Any proceeding must be commenced within one year following the later of (1) the expiration of the express warranty term or (2) the manufacturer's final repair attempt of the nonconformity that gave rise to the consumer's request for repurchase or replacement.
19. Manufacturer-sponsored arbitration	After the third repair attempt to repair or correct the nonconformity, or after the motor vehicle is out of service to repair or correct one or more nonconformities for 30 cumulative business days, the consumer must notify the manufacturer and lessor in writing of the nonconformity and the consumer's claim for replacement or repurchase. On the written notice, the consumer will elect to use the dispute settlement mechanism established by the manufacturer or the state-operated arbitration board.
20. State-sponsored arbitration	After the third repair attempt to repair or correct the nonconformity, or after the motor vehicle is out of service to repair or correct one or more nonconformities for 30 cumulative business days, the consumer must notify the manufacturer and lessor in writing of the nonconformity and the consumer's claim for replacement or repurchase. On the written notice, the consumer will elect to use the dispute settlement mechanism established by the manufacturer or the state-operated arbitration board.
21. Dealer liability	Nothing in the lemon law imposes any liability on a franchised motor vehicle dealer or creates a cause of action by a consumer against a dealer, except for written express warranties made by the dealer apart from the manufacturer's warranties. A dealer may not be made a party defendant in any action involving or relating to the lemon law except as specifically provided. The manufacturer may not charge back or requirement reimbursement by the dealer for any costs, including but not limited to any refunds or vehicle replacements, incurred by the manufacturer arising from the lemon law.
22. Restrictions on resale of returned vehicles	Any manufacturer or its agent or authorized dealer is prohibited from reselling in New Hampshire any vehicle determined or adjudicated by the state-operated arbitration board as having a serious safety defect (a life-threatening malfunction or nonconformity that impedes the consumer's ability to control or operate the motor vehicle for ordinary use or reasonable intended purposes or creates a risk of fire or explosion).
23. Point of sale notice of lemon law rights	The manufacturer of every motor vehicle sold in New Hampshire must provide a clear and conspicuous written notice of the consumer's lemon law rights at the time of each new motor vehicle's delivery. The manufacturer must provide the consumer with a self-addressed notice in a form developed in accordance with rules adopted by the Department of Justice, and sufficient to notify the manufacturer of the consumer's election to proceed under the lemon law. The manufacturer may not delegate this responsibility to its authorized dealers.
24. Limitation on waiver	Not specified.

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 3/10/2004 © 2004, Council of Better Business Bureaus, Inc.**

**This information is not intended as legal advice.
Please direct specific questions to your legal counsel.
Updated 3/10/2004 © 2004, Council of Better Business Bureaus, Inc.**