



BBB AUTO LINE PROGRAM SUMMARY

SUBARU – KENTUCKY

Subaru of America, Inc. (“Subaru”) has precommitted to arbitrate certain unresolved claims relating to its cars. Claims must allege a defect in the vehicle’s material or workmanship, or the inability to repair a vehicle so that it conforms to the written warranty. The following is an explanation of the types of claims that Subaru has agreed to arbitrate through local Better Business Bureaus serving your state.

AGE AND MILEAGE REQUIREMENTS

You must file your claim with the BBB within two years or 25,000 miles – whichever comes first – from the date of your vehicle’s initial retail delivery.

ELIGIBLE VEHICLES

Claims within the above age/mileage requirements may be filed by Kentucky residents who bought or contracted to buy a new Subaru vehicle that is:

- Intended for use and operation on the public highways, AND
- Required to be registered or licensed in the Commonwealth of Kentucky prior to such use and operation.

TYPES OF RELIEF THAT MAY BE SOUGHT

The following relief may be sought through the BBB AUTO LINE program: **repairs, reimbursement for past repairs, and repurchase or replacement of the vehicle.** Under some circumstances, you may also seek reimbursement for additional amounts. Please review the attached *Remedies* sheets to determine the remedies that you are eligible to seek.

If a repurchase or replacement is awarded, you will be responsible for turning over the vehicle in a similar condition as it was at the time of the hearing. You will also be responsible for providing clear title to the vehicle.

CLAIMS THAT MAY NOT BE ARBITRATED

Subaru is not precommitted to arbitrate the following claims, although it may do so on a case-by-case basis:

- Claims for legal fees, loss of wages, depreciation or loss of value;
- Claims covered by insurance or by warranties of other manufacturers;

- Claims involving a vehicle defect if you allege – either as part of your BBB AUTO LINE claim or at any other time – that the vehicle defect has caused damage to another vehicle or damage to property.

The following claims will NEVER be arbitrated in BBB AUTO LINE:

- Claims for personal injury or mental anguish;
- Claims involving a vehicle defect if you allege – either as part of your BBB AUTO LINE claim or at any other time – that the vehicle defect has caused bodily injury;
- Claims for punitive damages;
- Allegations of fraud or other violations of law;
- Claims that have been resolved by a previous mediation or arbitration, court action, settlement, or agreement between you and Subaru;
- Disputes based solely on dealer sales and/or service practices or collision repairs.

OTHER IMPORTANT INFORMATION

- You must own the vehicle throughout the entire arbitration process. Leased vehicles are ineligible for the BBB AUTO LINE program.
- Your vehicle must have been imported into the United States by Subaru of America, Inc.
- If you file suit against Subaru prior to the completion of the arbitration process, Subaru will not be obligated to continue with the arbitration.
- A test drive will not be taken in your vehicle unless you have liability insurance that satisfies your state's minimum requirements.
- An independent technical expert will automatically be appointed to conduct an inspection of your vehicle prior to every arbitration in which a repurchase or replacement is sought, unless both parties agree in writing that a technical expert should not be used.

The BBB will let you know if other restrictions apply.

REMEDIES IF REPURCHASE IS AWARDED Owned Vehicle

BASIC REMEDIES

An arbitrator awarding a repurchase MUST award the following:

- Actual purchase price of the vehicle (excluding taxes, fees, finance and other charges) less a reasonable allowance for the vehicle owner's use. The arbitrator will determine what, if any, reasonable allowance for the vehicle owner's use is appropriate. In doing so, the arbitrator may use the following formula:

$$\text{Use deduction} = \frac{\text{mileage at time written claim was filed with the BBB}}{100,000} \times \text{purchase price}$$

The arbitrator may also make a deduction based on the overall condition of the vehicle or for other equitable reasons.

ADDITIONAL REMEDIES

When requested in the *Agreement to Arbitrate*, the following additional remedies shall also be awarded for cases in which a repurchase is awarded based on a vehicle nonconformity* that the manufacturer or its authorized service agents are unable to repair or correct after a reasonable number of attempts during the first 12,000 miles of operation or during the first 12 months following the date of delivery to the vehicle owner, whichever occurs first:

- All earned finance charges, sales taxes, license fees, registration fees, similar governmental charges, and all other collateral charges arising out of the vehicle's acquisition.

* Nonconformity means a failure to conform to the vehicle's written warranty in a manner that substantially impairs the use, value, or safety of the motor vehicle. It does not include a defect or condition that is the result of abuse, neglect, or unauthorized modification or alteration of the motor vehicle by the vehicle owner.