



BBB AUTO LINE PROGRAM SUMMARY

SUBARU – OHIO

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 24,000 miles – whichever comes first – from the date of your vehicle’s initial retail delivery.

ELIGIBLE CONSUMERS

Claims within the above age/mileage requirements may be filed by:

- the purchaser or lessee, other than for purposes of resale, of a new Subaru vehicle;
- any person to whom a new Subaru vehicle is transferred during the coverage period of the Subaru Limited Warranty; **OR**
- any other person who is entitled by the terms of the Subaru Limited Warranty to enforce the obligations of that warranty.

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 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 bases:

- 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 your 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 damage;
- 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 or lease the vehicle throughout the entire arbitration process.
- 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 Lemon Law Applied

Owned Vehicle

The remedies below MUST be included – when requested in the Agreement to Arbitrate – in a repurchase award based on a nonconformity* that has not been repaired by a manufacturer, its agent or authorized dealer after a reasonable number of attempts during the earlier of:

- the period of one year following the vehicle’s original delivery, OR
- the first 18,000 miles of operation.

REMEDIES:

- *Vehicle Purchase Price.* The contract price of the vehicle, including charges for transportation, dealer-installed accessories and options, dealer services, dealer preparation, and undercoating;
- *Collateral charges.* All collateral charges, including sales tax, license and registration fees, and similar government charges;
- *Incidental damages.* All incidental damages, including reasonable repair, towing or rental charges incurred by the buyer and any reasonable fees charged by the lender for making or cancelling the buyer’s loan;
- *Finance/Contract Charges.* All finance, credit insurance, warranty, and service contract charges incurred by the buyer.

REASONABLE USE DEDUCTON:

The arbitrator may make a deduction for the buyer’s use of the vehicle, if the arbitrator determines that a deduction is appropriate, up to the following amount:

$$\text{use deduction} = \frac{\text{\#miles prior to the first report of the nonconformity to the manufacturer/dealer}}{100,000} \times \text{purchase price}$$

OTHER DEDUCTION:

The arbitrator may reduce the amount awarded to the buyer if there is damage to the vehicle that is not attributable to normal wear and tear if the arbitrator sets out, in the *Reasons for Decision*, specific reasons for the reduction.

* A nonconformity is a defect or condition that substantially impairs the use, value or safety of the vehicle and does not conform to the express written warranty of the manufacturer or distributor. It does not include a defect or condition that is the result of abuse, neglect, or the unauthorized modification or alteration of a motor vehicle by anyone other than the manufacturer, its agent, or its authorized dealer.

REMEDIES IF REPURCHASE IS AWARDED Lemon Law Applied

Leased Vehicle

The remedies below **MUST** be included – when requested in the Agreement to Arbitrate – in a repurchase award based on a nonconformity* that has not been repaired by a manufacturer, its agent or authorized dealer after a reasonable number of attempts during the earlier of:

- the period of one year following the vehicle’s original delivery, OR
- the first 18,000 miles of operation.

To the Lessor:

- The pay-off amount due pursuant to the lease agreement;
- MINUS the security deposit held by lessor;
- MINUS the refund due for the unexpired portion of an extended warranty and/or insurance policy included in the lease contract.

To the Lessee;

- Base monthly payments paid until the time of the repurchase **UP TO A MAXIMUM AMOUNT CALCULATED ACCORDING TO THE FOLLOWING FORMULA:**
 - Maximum = 105% of (net capitalized cost of the lease or vehicle M.S.R.P., whichever is lower) MINUS payoff amount due pursuant to the lease agreement
- PLUS the security deposit;
- PLUS the trade-in allowance/downpayment (capitalized cost reduction);
- PLUS *collateral charges* – all collateral charges paid by lessee, including sales tax, license and registration fees and similar government charges;
- PLUS *incidental damages* – all incidental damages, including reasonable repair, towing or rental charges incurred by the lessee;
- PLUS all credit insurance, warranty and service contract charges incurred by the lessee.

REASONABLE USE DEDUCTON:

The arbitrator may make a deduction for the consumer’s use of the vehicle, if the arbitrator determines that a deduction is appropriate, up to the following amount:

* A nonconformity is a defect or condition that substantially impairs the use, value or safety of the vehicle and does not conform to the express written warranty of the manufacturer or distributor. It does not include a defect or condition that is the result of abuse, neglect, or the unauthorized modification or alteration of a motor vehicle by anyone other than the manufacturer, its agent, or its authorized dealer.

use deduction = $\frac{\text{\#miles prior to the first report of the nonconformity to the manufacturer/dealer}}{100,000} \times \text{capitalized cost}$

OTHER DEDUCTION:

The arbitrator may reduce the amount awarded to the buyer if there is damage to the vehicle that is not attributable to normal wear and tear if the arbitrator sets out, in the *Reasons for Decision*, specific reasons for the reduction.

**REMEDIES IF REPURCHASE IS AWARDED
Lemon Law Not Applied**

Owned Vehicle

The remedies below MAY be included in a repurchase award not based on a nonconformity* that has not been repaired by a manufacturer, its agent or authorized dealer after a reasonable number of attempts during the earlier of:

- the period of one year following the vehicle's original delivery, OR
- the first 18,000 miles of operation.

REMEDIES:

- The actual amount paid for the vehicle, excluding taxes, fees, finance and other charges.

REASONABLE USE DEDUCTION:

The arbitrator may make a deduction for the buyer's use of the vehicle. The arbitrator will determine, what, if any, deduction is appropriate. In doing so, the arbitrator may use the following formula:

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

OTHER DEDUCTION:

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

* A nonconformity is a defect or condition that substantially impairs the use, value or safety of the vehicle and does not conform to the express written warranty of the manufacturer or distributor. It does not include a defect or condition that is the result of abuse, neglect, or the unauthorized modification or alteration of a motor vehicle by anyone other than the manufacturer, its agent, or its authorized dealer.

REMEDIES IF REPURCHASE IS AWARDED Lemon Law Not Applied

Leased Vehicle

The remedies below MAY be included in a repurchase award not based on a nonconformity* that has not been repaired by a manufacturer, its agent or authorized dealer after a reasonable number of attempts during the earlier of:

- the period of one year following the vehicle's original delivery, OR
- the first 18,000 miles of operation.

To the Lessor:

- Lease balance** at time of repurchase calculated on an actuarial (level-yield) basis. This does not include any early termination fees or disposition fees;
- MINUS the security deposit held by lessor;
- MINUS any refund due for the unexpired portion of an extended warranty and/or insurance policy included in the lease contract.

To the Lessee:

- Base monthly payments paid until the time of the repurchase UP TO A MAXIMUM AMOUNT CALCULATED ACCORDING TO THE FOLLOWING FORMULA:
Maximum = 105% of (net capitalized cost of the lease or vehicle M.S.R.P., whichever is lower) MINUS lease balance at time of repurchase calculated on an actuarial basis
- PLUS the security deposit;
- PLUS the trade-in allowance/downpayment (capitalized cost reduction).

REASONABLE USE DEDUCTON:

The arbitrator may make a deduction for the consumer's use of the vehicle, if the arbitrator determines that a deduction is appropriate, up to the following amount:

$$\text{use deduction} = \frac{\text{mileage at time written claim is filed with BBB}}{100,000} \times \text{capitalized cost}$$

OTHER DEDUCTION:

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

* A nonconformity is a defect or condition that substantially impairs the use, value or safety of the vehicle and does not conform to the express written warranty of the manufacturer or distributor. It does not include a defect or condition that is the result of abuse, neglect, or the unauthorized modification or alteration of a motor vehicle by anyone other than the manufacturer, its agent, or its authorized dealer.

** Lease balance is the difference between the net capitalized cost and the sum of all depreciation amounts accrued to date and the first base monthly payment.