



## **BBB AUTO LINE PROGRAM SUMMARY**

### **SUBARU – OREGON**

*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.**

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.

#### **AMOUNTS THAT MAY BE SOUGHT FOR THE REPURCHASE OF A VEHICLE**

##### **OWNED VEHICLES-**

If you are seeking the repurchase of a vehicle you own, the maximum amount that may be arbitrated is the actual amount you paid for the vehicle, including taxes, license and

registration fees, and any similar collateral charges. This amount excludes interest, insurance premiums, and service contract charges.

### **LEASED VEHICLE-**

If you are seeking the repurchase of a leased vehicle, please review the attached *Remedies* sheet to determine the remedies that you are eligible to seek.

PLEASE NOTE...In determining a repurchase award, the arbitrator may make a deduction for your use of the vehicle. The arbitrator will determine what, if any, deduction is appropriate. In doing so, the arbitrator may use the following formula:

$$\text{Deduction} = \frac{\# \text{ miles at time written claim filed with BBB}}{100,000} \times \text{purchase price}$$

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

### **REPLACEMENT VEHICLE THAT MAY BE SOUGHT**

The arbitrator may award a replacement vehicle that is new and is substantially identical to your current vehicle (excluding any modifications or additions after the vehicle's purchase or lease). The Manufacturer's Suggested Retail Price ("M.S.R.P.") of the replacement vehicle may not exceed 105% of the M.S.R.P. of your current vehicle.

If a replacement vehicle is awarded, the arbitrator may require that you pay for the use of your current vehicle or for any damage to that 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 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 Leased Vehicle**

**If you are seeking the repurchase of a leased vehicle, the maximum amount that may be arbitrated is:**

### **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 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).

### **REASONABLE USE DEDUCTION:**

In determining a repurchase award for a leased vehicle, the arbitrator may make a deduction for use of the vehicle. The arbitrator will determine what, if any, deduction is appropriate. In doing so, the arbitrator may use the following formula:

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

### **OTHER DEDUCTIONS:**

The arbitrator may make a deduction from the lessee's award based on the overall condition of the vehicle or for other equitable reasons.

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\* 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.