



BBB AUTO LINE PROGRAM SUMMARY

SUBARU – WISCONSIN

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:

- anyone entitled by the terms of the Subaru Limited Warranty to enforce the obligations of that warranty, **OR**
- anyone who leases a motor vehicle under a written lease.

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 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 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 FOR REPURCHASE
AWARDED UNDER LEMON LAW
Owned Vehicle**

The following MUST be awarded if it is determined by the arbitrator that the manufacturer is obligated to repurchase a vehicle under the Wisconsin lemon law.

REMEDIES

- The vehicle's full purchase price.
- Sales taxes paid by the consumer, as well as any other amount paid by the consumer at the point of sale.
- Collateral costs (expenses incurred by a consumer in connection with the repair of a vehicle nonconformity,* including the costs of obtaining alternative transportation).
- Finance charges incurred by the consumer arising from the vehicle's purchase.

REASONABLE ALLOWANCE FOR VEHICLE'S USE

The arbitrator may reduce the award by deducting for the prior use of an automobile or truck. This reasonable allowance for use deduction may not exceed the amount set out in the following formula:

$$\begin{array}{l} \text{reasonable} \\ \text{allowance} \\ \text{for use} \end{array} = \frac{\begin{array}{l} \# \text{ miles vehicle driven before} \\ \text{nonconformity* first reported to vehicle dealer} \end{array}}{100,000} \times \text{vehicle purchase price}$$

* Nonconformity means a condition or defect that substantially impairs the use, value or safety of a motor vehicle, and is covered by an express warranty applicable to the motor vehicle or to a component of the motor vehicle. It does not include a condition or defect that is the result of abuse, neglect or unauthorized modification or alteration of the motor vehicle by a consumer.

**REMEDIES FOR REPURCHASE
NOT AWARDED UNDER LEMON LAW
Owned Vehicle**

The following MAY be awarded if a repurchase is awarded but the arbitrator determines that the manufacturer is not obligated to repurchase the vehicle under the Wisconsin lemon law.

REMEDIES

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

REASONABLE ALLOWANCE FOR VEHICLE'S USE

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

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

DAMAGE DEDUCTION

The arbitrator may also require that the consumer pay for any damage to the vehicle that is not attributable to normal wear and tear.

**REMEDIES FOR REPURCHASE
AWARDED UNDER LEMON LAW
Leased Vehicle**

The following MUST be awarded if it is determined by the arbitrator that the manufacturer is obligated to repurchase a vehicle under the Wisconsin lemon law.

REMEDIES

To the lessor:

- The total amount for which the lease obligates the consumer during the lease period remaining after its early termination,
- PLUS The vehicle's residual value if set out in the lease,
- PLUS The lessor's early termination cost,
- MINUS The lessor's early termination savings.

To the lessee:

- The amount the lessee paid under the written lease,
- PLUS any sales tax and collateral costs (expenses incurred by lessee in connection with the repair of a nonconformity,* including costs of alternative transportation).

REASONABLE ALLOWANCE FOR VEHICLE'S USE

The arbitrator may reduce the award to the lessee by deducting for the prior use of the vehicle. This reasonable allowance for use deduction may not exceed the amount set out in the following formula:

$$\begin{array}{l} \text{reasonable} \\ \text{allowance} \\ \text{for use} \end{array} = \frac{\begin{array}{l} \# \text{ miles vehicle driven before nonconformity* first} \\ \text{reported to manufacturer, vehicle dealer, or lessor} \end{array}}{100,000} \times \begin{array}{l} \text{total amount for which} \\ \text{lease obligates consumer} \end{array}$$

* Nonconformity means a condition or defect that substantially impairs the use, value or safety of a motor vehicle, and is covered by an express warranty applicable to the motor vehicle or to a component of the motor vehicle. It does not include a condition or defect that is the result of abuse, neglect or unauthorized modification or alteration of the motor vehicle by a consumer.

**REMEDIES FOR REPURCHASE
NOT AWARDED UNDER LEMON LAW
Leased Vehicle**

The following MAY be awarded if a repurchase is awarded but the arbitrator determines that the manufacturer is NOT obligated to repurchase the vehicle under the Wisconsin lemon law:

REMEDIES

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 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 ALLOWANCE FOR VEHICLE'S USE

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

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

DAMAGE DEDUCTION

The arbitrator may also require that the consumer pay for any damage to the vehicle that is not attributable to normal wear and tear.

* 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.

**REMEDIES FOR REPLACEMENT
AWARDED UNDER LEMON LAW
Owned Or Leased Vehicle**

The following MUST be awarded if it is determined by the arbitrator that the manufacturer is obligated to replace a vehicle under the Wisconsin lemon law.

REMEDIES

- A comparable new motor vehicle
- Collateral costs (expenses incurred by a consumer in connection with the repair of a vehicle nonconformity,* including the costs of obtaining alternative transportation).

* Nonconformity means a condition or defect that substantially impairs the use, value or safety of a motor vehicle, and is covered by an express warranty applicable to the motor vehicle or to a component of the motor vehicle. It does not include a condition or defect that is the result of abuse, neglect or unauthorized modification or alteration of the motor vehicle by a consumer.

**REMEDIES FOR REPLACEMENT
NOT AWARDED UNDER LEMON LAW
Owned Or Leased Vehicle**

The following MAY be awarded if a replacement is awarded but the arbitrator determines that the manufacturer is not obligated to replace the vehicle under the Wisconsin lemon law:

REMEDIES

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.

REASONABLE ALLOWANCE FOR VEHICLE'S USE

The arbitrator may require that the consumer pay for the vehicle's prior use. The arbitrator will determine what, if any, payment is appropriate. In doing so, the arbitrator may use the following formula:

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

DAMAGE DEDUCTION

The arbitrator may also require that the consumer pay for any damage to the vehicle that is not attributable to normal wear and tear.