



BBB AUTO LINE PROGRAM SUMMARY

Mercedes-Benz – Arkansas

Mercedes-Benz USA (“Mercedes-Benz”) has precommitted to arbitrate certain unresolved claims alleging defects in material or workmanship in its vehicles and/or claims involving an inability to repair the vehicle so that it conforms to the written warranty. The following is an explanation of the types of claims that Mercedes-Benz has agreed to arbitrate through local Better Business Bureaus serving your state.

AGE AND MILEAGE REQUIREMENTS

Your claim must meet the following three conditions to be eligible:

- You must be basing your claim on a defect or condition that arose during the coverage period of the Mercedes-Benz new vehicle warranty;
- You must have reported the defect or condition to Mercedes-Benz, its agent, or its authorized dealer within two years after the date of your vehicle’s original delivery to a consumer, or before 24,000 miles of operation attributable to a consumer, ***whichever is later***; and
- You must file your claim with the BBB within two years following the date you first reported the defect or condition to Mercedes-Benz, its agent or authorized dealer.

ELIGIBLE CONSUMERS

Claims within the above age/mileage requirements may be filed by anyone entitled to enforce the obligations of the manufacturer’s new vehicle 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. Please review the attached *Remedies* sheets to determine what may be included in a repurchase or replacement award.

In order to be awarded a repurchase or replacement, you must meet the criteria established by the Arkansas New Motor Vehicle Quality Assurance Act.

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, and you will be responsible for providing clear title to the vehicle.

CLAIMS THAT MAY NOT BE ARBITRATED

Mercedes-Benz is not precommitted to arbitrate the following claims:

- 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 have alleged – either as part of your BBB AUTO LINE claim or at any other time – that the vehicle defect has caused damage to a vehicle or damage to property;
- Claims for personal injury or mental anguish;
- Claims involving a vehicle defect if you have alleged – either as part of your BBB AUTO LINE claim or at any other time – that the vehicle defect has caused bodily injuries;
- Claims that have been resolved by a previous arbitration, court action, settlement, or an agreement between you and Mercedes-Benz;
- Claims for punitive damages;
- Allegations of fraud or other violations of law.

OTHER LIMITATIONS

- You must own or lease the vehicle throughout the entire arbitration process.
- Your vehicle must be titled and registered according to applicable law.
- Your vehicle must have a valid United States warranty.
- If you file suit against Mercedes-Benz prior to the completion of the arbitration process, Mercedes-Benz 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.

The BBB will let you know if other restrictions apply.

REMEDIES IF REPURCHASE IS AWARDED

Lemon Law Criteria Met

Owned Vehicle

If the arbitrator determines that the manufacturer is obligated to repurchase an owned vehicle under the Arkansas lemon law, the following **shall** be awarded:

REMEDIES

1. *Vehicle Purchase Price.* The cash price paid for the vehicle as set out in the sales agreement, including any net allowance given for a trade-in vehicle.
2. *Collateral charges.* Additional charges to the consumer wholly incurred as a result of the acquisition of the vehicle. These include but are not limited to:
 - a. manufacturer-installed or agent-installed items;
 - b. sales taxes and title charges;
 - c. charges for extended warranties provided by the manufacturer, its subsidiary or agent; and
 - d. earned finance charges.
3. *Incidental charges.* Reasonable costs (NOT including loss of use, loss of income, or personal injury claims) incurred by the consumer which are directly caused by the nonconformity(ies) that is the subject of the claim. They include, but are not limited to:
 - a. towing charges; and
 - b. costs of obtaining alternative transportation.

REASONABLE USE DEDUCTION

The following amount shall be deducted for the consumer's use of the vehicle:

$$\begin{array}{lcl} \text{reasonable} & & \# \text{ of miles traveled by vehicle prior to time the consumer} \\ \text{offset} & & \text{first delivered vehicle to manufacturer, agent or dealer} \\ \text{for use} & = & \text{for correction of problem that gave rise to nonconformity} \times \text{vehicle} \\ & & 120,000 \qquad \qquad \qquad \text{purchase} \\ & & \qquad \qquad \qquad \qquad \qquad \qquad \text{price}^* \end{array}$$

DAMAGE DEDUCTION

The arbitrator shall reduce the award by a reasonable amount for physical damage sustained to the vehicle while owned by the consumer.

* This includes charges for transportation and manufacturer-installed or agent-installed options.

REMEDIES IF REPURCHASE IS AWARDED
Lemon Law Criteria Met
Leased Vehicle

If the arbitrator determines that the manufacturer is obligated to repurchase a leased vehicle under the Arkansas lemon law, the following **shall** be awarded:

REMEDIES

To the Lessor

1. *105% of the lessor's actual purchase costs*, MINUS the total of all deposit and rental payments paid by the lessee to the lessor;
2. *Collateral charges*. Additional charges to the lessor wholly incurred as a result of the acquisition of the vehicle, if applicable. These include, but are not limited to:
 - a. manufacturer-installed or agent-installed items;
 - b. sales taxes and title charges;
 - c. charges for extended warranties provided by the manufacturer, its subsidiary or agent; and
 - d. earned finance charges.
3. Any fee paid to another to obtain the lease;
4. Any insurance or other costs expended by the lessor for the benefit of the lessee; and
5. An amount equal to state and local taxes, not otherwise included as collateral charges, paid by the lessor when the vehicle was purchased.

To the lessee

1. *All deposit and rental payments* paid by the lessee to the lessor.
2. *Incidental charges*. Reasonable costs (NOT including loss of use, loss of income, or personal injury claims) incurred by the consumer which are directly caused by the nonconformity(ies) that is the subject of the claim. They include, but are not limited to:
 - a. towing charges; and
 - b. costs of obtaining alternative transportation.

REASONABLE USE DEDUCTON

The following amount shall be deducted for the consumer's use of the vehicle:

$$\begin{array}{lcl} \text{reasonable} & & \# \text{ of miles traveled by vehicle prior to time the consumer} \\ \text{offset} & & \text{first delivered vehicle to manufacturer, agent or dealer} \\ \text{for use} & = & \frac{\text{for correction of problem that gave rise to nonconformity}}{120,000} \times \text{vehicle} \\ & & \text{purchase} \\ & & \text{price}^* \end{array}$$

DAMAGE DEDUCTION

The arbitrator shall reduce the award by a reasonable amount for physical damage sustained to the vehicle while owned by the consumer.

* This includes charges for transportation and manufacturer-installed or agent-installed options.

REMEDIES IF REPLACEMENT IS AWARDED

Lemon Law Criteria Met

Owned or Leased Vehicle

If the arbitrator determines that the manufacturer is obligated to replace an owned or leased vehicle under the Arkansas lemon law, the following **shall** be awarded:

REMEDIES

1. The consumer shall receive a replacement vehicle that is identical or reasonable equivalent to the replaced motor vehicle as it existed at the time of original acquisition.
2. The manufacturer shall also pay the consumer the following:
 - a. *Collateral charges.* Additional charges to the consumer wholly incurred as a result of the acquisition of the vehicle. These include, but are not limited to:
 - i. manufacturer-installed or agent items;
 - ii. sales taxes and title charges;
 - iii. charges for extended warranties provided by the manufacturer, its subsidiary or agent; and
 - iv. earned finance charges.
 - b. *Incidental charges.* Reasonable costs (not including loss of use, loss of income, or personal injury claims) incurred by the consumer which are directly caused by the nonconformity(ies) that is the subject of the claim. They include, but are not limited to:
 - i. towing charges; and
 - ii. costs of obtaining alternative transportation

REASONABLE USE PAYMENT

The following amount shall be deducted for the consumer's use of the vehicle:

$$\begin{array}{l} \text{reasonable} \\ \text{offset} \\ \text{for use} \end{array} = \frac{\begin{array}{l} \# \text{ of miles traveled by vehicle prior to time the consumer} \\ \text{first delivered vehicle to manufacturer, agent or dealer} \\ \text{for correction of problem that gave rise to nonconformity} \end{array}}{120,000} \times \begin{array}{l} \text{vehicle} \\ \text{purchase} \\ \text{price}^* \end{array}$$

DAMAGE DEDUCTION

The arbitrator shall reduce the award by a reasonable amount for physical damage sustained to the vehicle while owned by the consumer.

* This includes charges for transportation and manufacturer-installed or agent-installed options.