



BBB AUTO LINE PROGRAM SUMMARY

WINNEBAGO – KENTUCKY

AGE/MILEAGE REQUIREMENTS

If you are seeking repairs to your vehicle or reimbursement for past repairs, you must file your claim within 3 years or 36,000 miles – whichever comes first – of the date your vehicle was first put into use.

If you are seeking the repurchase or replacement of your vehicle, 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/mileage requirements may be filed for vehicles that are used primarily for personal, family, or household purposes.

ELIGIBLE CONSUMERS

In order to file a claim, you must have purchased or leased your vehicle in Kentucky, and been a resident of Kentucky at the time of purchase or lease.

ELIGIBLE CLAIMS

Claims must allege a defect in material or workmanship of a Winnebago vehicle.

REPAIRS/REIMBURSEMENT

The arbitrator may award repairs to correct a defect in your vehicle's material or workmanship. The arbitrator may not order a change in your vehicle's options or its design.

The arbitrator may also award reimbursement for money you paid to repair your vehicle.

REPURCHASE/REPLACEMENT UNDER THE LEMON LAW

If an arbitrator decides you are entitled to a repurchase or replacement under the standards of the Kentucky lemon law, you will be awarded all the remedies provided under that law.

The attached *Standards of the Kentucky Lemon Law* explains the lemon law standards.

The attached *Remedies Under the Kentucky Lemon Law* explains what remedies are provided under the lemon law.

The arbitrator will reduce your award by deducting for the vehicle's use. See the attached *Remedies Under the Kentucky Lemon Law*. The arbitrator will also reduce your award based on damage to your vehicle exceeding normal wear and tear.

REPURCHASE NOT UNDER LEMON LAW

Owned Vehicle

If an arbitrator decides you are entitled to a repurchase of an owned vehicle but you do not meet the lemon law standards, the maximum amount that may be awarded is the actual amount you paid for the vehicle. This will **not** include debt from a previous transaction, taxes, fees, or finance charges.

Leased Vehicle

If an arbitrator decides you are entitled to a repurchase of a leased vehicle but you do not meet the lemon law standards, the maximum amount that may be awarded is:

To the lessor:

- Payoff amount
- 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:

- Based monthly payments paid until time of 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
- PLUS the security deposit
- PLUS the trade-in allowance/downpayment (capitalized cost reduction).

REPLACEMENT NOT UNDER LEMON LAW

If an arbitrator decides you are entitled to a replacement but you do not meet the lemon law standards, the arbitrator may award a replacement vehicle that:

1. is new and is substantially identical to your current vehicle (not including any modifications or additions after the vehicle's purchase or lease), and
2. is the same model year as your current vehicle. If no such vehicle is available, the arbitrator may award a replacement from the next model year.

If a replacement vehicle from the same or next model year is not available, the arbitrator may award a replacement vehicle from subsequent model years; in that case, however, you will be required to pay the difference between the Manufacturer's Suggested Retail Price (M.S.R.P.) of your current vehicle and the M.S.R.P. of the replacement vehicle.

NON-LEMON LAW DEDUCTION

If a repurchase or replacement is awarded and you do not meet the lemon law standards, the arbitrator will reduce your award by deducting for the vehicle's use in accordance with the following formula:

$$\text{Use Deduction} = \frac{\text{\#miles at time of arbitration hearing}}{100,000} \times \text{Purchase Price}$$

The arbitrator will also make a deduction for any damage to your vehicle exceeding normal wear and tear.

CUSTOMER RESPONSIBILITIES IF REPURCHASE OR REPLACEMENT IS AWARDED

If a repurchase or replacement is awarded, you will be responsible for turning over the vehicle with a current registration and 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 OR MAY NOT BE ARBITRATED

Winnebago 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, replacement transportation, or any other incidental or consequential damages;
- Claims covered by insurance or by warranties of other manufacturers;
- Claims involving a vehicle defect if you allege – either as part of you BBB AUTO LINE claim or at any other time – that the vehicle defect has caused an accident or fire that resulted in damage to any vehicle or damage to property.

The following claims will NEVER be arbitrated 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 involving vehicles currently or previously titled as salvage, scrapped, junked, or totaled;
- Claims that have been resolved by a previous mediation or arbitration, court action, settlement, or agreement between you and Winnebago.

OTHER IMPORTANT INFORMATION

- You must own the vehicle throughout the entire arbitration process.
- Your vehicle must be purchased, registered, and normally operated in the United States.
- If you file suit against Winnebago prior to the completion of the arbitration process, Winnebago 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.

STANDARDS OF THE KENTUCKY LEMON LAW

The following is a brief explanation of most relevant provisions of the Kentucky lemon law. The complete text of the lemon law can be found at Kentucky Rev. Stat. 367.840 *et seq.*

VEHICLES COVERED

The Kentucky lemon law applies to a motor vehicle that:

1. Is intended primarily for use and operation on the public highways;
2. Is required to be registered or licensed in Kentucky prior to such use or operation;
3. Has been finally and completely assembled and is in the possession of a manufacturer, factory branch, distributor, wholesaler, or an authorized motor vehicle dealer; and
4. Is in fact new and on which the original title has not previously been issued;

The lemon law does not cover motor homes, motorcycles, mopeds, vehicles with more than 2 axles, farm tractors and other farm machines, and vehicles substantially altered after the initial sale from a dealer to an individual.

A “new motor vehicle” means a motor vehicle that:

1. Has been finally and completely assembled;
2. Is in the possession of a manufacturer, factory branch, distributor, or authorized dealer; and
3. Is in fact new and on which the original title has never been issued.

CONSUMERS COVERED

The lemon law covers any resident person who buys or contracts to buy a new motor vehicle in Kentucky. The lemon law also covers any resident person who leases a new motor vehicle in Kentucky after July 15, 1998. The lemon law does not cover subsequent purchasers or lessees.

VEHICLE CONVERTERS

The lemon law applies to vehicle converters.

PROBLEMS COVERED

The lemon law covers vehicle “nonconformities,” which it defines as the failure to conform with an express warranty in a manner that substantially impairs the use, value or safety of the motor vehicle.

The lemon law provides the manufacturer with an affirmative defense if it can be shown that the nonconformity, defect or condition is the result of abuse, neglect, or unauthorized modification or alteration of the vehicle by the consumer.

MANUFACTURER'S DUTY TO REPURCHASE OR REPLACE A VEHICLE

Notice to Manufacturer

The Kentucky lemon law requires that a consumer notify the manufacturer in writing if the manufacturer or its agents are unable to repair a vehicle nonconformity to the express warranty 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 consumer, whichever is the earlier date.

Repurchase or Replacement if Nonconformity Not Corrected After Reasonable Number of Attempts

If, after a reasonable number of attempts within the 12 months/12,000 mile time period specified above, the manufacturer or its agents are unable to repair or correct any nonconformity or defect that substantially impairs the use, value or safety of the motor vehicle, then the manufacturer is required to replace or repurchase the motor vehicle.

REASONABLE NUMBER OF REPAIR ATTEMPTS

The Kentucky lemon law creates a presumption that a reasonable number of attempts have been made if, within the first 12,000 miles of operation or during the period of 12 months following the date of original delivery of the motor vehicle to the consumer buyer, whichever is earlier, either:

1. The same nonconformity, defect or condition has been subject to repair four or more times by the manufacturer, but the nonconformity, defect or condition continues to exist; or
2. The vehicle is out of service/use by reason of repair of the same non-conformity, defect, or condition for a cumulative total of at least 30 calendar days. (This time period is extended by a reasonable time when a vehicle cannot be repaired due to the unavailability of parts or supplies as a result of war, invasion, civil unrest, fire, flood, or natural disaster.)

DISPUTE RESOLUTION

Disputes arising under the lemon law provisions requiring repurchase or replacement must be resolved through the required informal dispute resolution system, prior to seeking any judicial relief.

Each manufacturer transacting business in Kentucky must offer to consumers a comprehensive informal dispute resolution system that accepts warranty disputes occurring during the earlier of the first two years or 25,000 miles of the consumer's or lessor's ownership of the motor vehicle. Note that this requirement is independent of the lemon law provisions, and requires arbitration of certain warranty disputes that might not be covered by the lemon law.

Guidance from the Attorney General indicates that the dispute resolution provisions apply to any new motor vehicle that that would *normally* be used for personal, family or household purposes, regardless of how the individual buyer uses the particular vehicle that is the subject of the dispute. Any vehicle falling within the lemon law's definition of motor vehicle is covered by the dispute resolution provisions.

TIME PERIOD FOR FILING CLAIMS

An action under the lemon law must be commenced within two years after the date of the vehicle's original delivery to a consumer.

REMEDIES UNDER THE KENTUCKY LEMON LAW

REPURCHASE

The Kentucky lemon law sets out the following amounts that a manufacturer must pay when it repurchases an owned or leased vehicle under the lemon law:

1. the full purchase price paid for the motor vehicle,
2. finance charge,
3. all sales tax,
4. license fee,
5. registration fee,
6. any similar governmental charges, and
7. all collateral charges,
8. less a reasonable allowance for the consumer's use of the vehicle.

Reasonable allowance for the consumer's use means the amount directly attributable to a consumer's use of the vehicle other than those time periods when the vehicle is out of service due to the nonconformity.

REPLACEMENT

When replacing a vehicle under the Kentucky lemon law, the manufacturer must provide a comparable motor vehicle. The reasonable allowance for use does not apply to a replacement.