

3. That within the applicable warranty period:

i. The consumer gave the dealer or its agent at least three opportunities to repair the material defect, and the material defect continues to exist; or

ii. The used motor vehicle has been out of service by reason of waiting for the dealer to begin or complete repair of the defective covered item for a cumulative total of 20 or more days since the date of purchase of the used motor vehicle by the consumer, and the material defect continues to exist; and

4. Whether the consumer wishes to participate in:

i. The Division of Consumer Affairs' UCLL dispute resolution program in conjunction with the Office of Administrative Law; or

ii. The Division of Consumer Affairs' alternative dispute resolution procedure.

#### 13:45A-26F.11 Processing of applications

(a) An application which has been submitted shall be reviewed by the UCLL Unit for completeness and compliance with the Used Car Lemon Law and this subchapter.

1. An incomplete application shall be returned to the consumer for completion.

2. An application which does not comply with this subchapter and the Used Car Lemon Law shall be rejected and the UCLL Unit shall notify the consumer of the reason for the rejection without making any determination as to whether the claimed defect is substantiated by the evidence or whether the defect substantially impairs the use, value or safety of the used motor vehicle.

3. An application which is accepted shall be date stamped to indicate acceptance and shall be directed to the Division's UCLL program or the Division's alternate dispute resolution procedure.

#### 13:45A-26F.12 Notification of scheduling of hearings

(a) By February 11, 1999, used motor vehicle dealers in New Jersey shall forward to the Division of Consumer Affairs, UCLL Unit, the name, address, telephone and telefax number of the person designated by the dealer to receive notices under the dispute resolution process. It shall be the duty of the dealer to update this information, as necessary.

(b) Upon acceptance of an application, the UCLL Unit shall send a notice by certified mail, return receipt requested, to the consumer and the dealer's designee.

(c) The UCLL Unit shall promptly thereafter refer an accepted application for dispute resolution to the Office of Administrative Law (OAL) or the Division's alternative dispute resolution procedure. The matter shall be conduct-

ed as a contested case by the OAL in accordance with the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

(d) Notice of the date, time and location of the hearing shall be mailed by OAL to both parties.

(e) Simultaneously with the notice of acceptance of the application, the UCLL Unit shall send a copy of the application materials to the dealer or the dealer's designee. Within 10 days of receipt of the notice of acceptance of the consumer's application for dispute resolution, the dealer shall mail by certified mail, return receipt requested, to the consumer at his or her address and to the Clerk of the Office of Administrative Law at 185 Washington Street, Newark, New Jersey 07102, a response to each of the statements set forth in the consumer application. The response shall also state whether the dealer objects to a proceeding on the papers if requested by the consumer.

(f) Applications for adjournments or rescheduling of the hearing shall be made in accordance with N.J.A.C. 1:1-9.6.

#### 13:45A-26F.13 Final decision

(a) The Director shall mail notification of the rejected, modified or adopted decision to both parties, the lienholder, if any, and the OAL.

(b) In instances in which the matter is resolved in favor of the consumer, the dealer shall advise the Director as to its compliance with the final decision no later than 10 days following the date stated for completion of all awarded remedies.

#### 13:45A-26F.14 Computation of refund

(a) The refund claimed by a consumer pursuant to N.J.S.A. 56:8-71 of the Used Car Lemon Law, whether through a dealer's informal dispute resolution process, the Division's alternate dispute resolution procedure or the Division's UCLL dispute resolution program, shall include:

1. The total purchase price of the used motor vehicle excluding:

i. All sale taxes;

ii. Title and registration fees or any similar governmental charges;

iii. A reasonable allowance for excessive wear and tear if any; and

iv. A deduction for personal use (as that term is defined at N.J.A.C. 13:45A-26F.2) of the used motor vehicle by the consumer.

**13:45A-26F.15 Appeals**

A dealer or consumer may appeal a final decision to the Appellate Division of the Superior Court no later than 45 days after the date of the final decision. A copy of the notice of appeal must also be filed with the Director.

**13:45A-26F.16 Dealer's informal dispute resolution procedures**

(a) Dealers who establish or participate in an informal dispute settlement procedure shall by March 3, 1999:

1. Advise the UCLL Unit of the existence of its informal dispute resolution procedure; and
2. Send the UCLL Unit an outline of the steps that a consumer must take in order to participate in the dealer's informal dispute resolution procedure; the information shall include all necessary addresses and phone numbers.

**13:45A-26F.17 Index of disputes**

(a) The Division of Consumer Affairs shall maintain an index of all used motor vehicle disputes by make, model, dealer and such other information as the Director requires, and shall compile and maintain statistics indicating the record of dealer compliance with any judgments or settlements.

(b) The index and statistical record of compliance shall be made available to the public on February 1, 2000 and every six months thereafter.

**13:45A-26F.18 Violations**

Without limiting the prosecution of any other practices which may be unlawful under the Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., any violation of the provisions of this subchapter shall be subject to the sanctions contained in the Consumer Fraud Act.

APPENDIX A  
Used Motor Vehicle Limited Warranty

Purchaser (Buyer):	Dealer (Seller):	Vehicle:
Name: _____		Year: _____
Street Address: _____		Make: _____
City _____ State _____ ZIP _____		Model: _____
Telephone Number (with area code): _____		VIN: _____ <small>(Vehicle Identification Number)</small>
Vehicle purchase date: _____ <small>Month Day Year</small>		Odometer reading: _____ <small>Miles</small>

**Warranty:** If used motor vehicle has (check appropriate box):

24,000 miles or less, the warranty is 90 days or 3,000 miles, whichever comes first.

24,001 to 60,000, the warranty is 60 days or 2,000 miles, whichever comes first.

60,001 to 100,000 the warranty is 30 days or 1,000 miles, whichever comes first.

**Terms**

Dealer agrees to repair or replace any covered part of the above vehicle upon failure or malfunction of a **Covered Item** specified in 2 below, subject to the following terms, conditions, exclusions and limitations:

- Who is covered by the limited warranty?** Only the purchaser named above. The warranty is not transferable to, nor enforceable by, any other person.
- What parts of the vehicle are covered by this limited warranty?** Under the law only "Covered Items" which include the following components of a used motor vehicle:
  - Engine**—all internal lubricated parts, timing chains, gears and cover, timing belt, pulleys and cover, oil pump and gears, water pump, valve covers, oil pan, manifolds, flywheel, harmonic balancer, engine mounts, seals and gaskets, and turbo-charger housing; however, housing, engine block and cylinder heads are covered items only if damaged by the failure of an internal lubricated part.
  - Transmission Automatic/Transfer Case**—all internal lubricated parts, torque converter, vacuum modulator, transmission mounts, seals and gaskets.
  - Transmission Manual/Transfer Case**—all internal lubricated parts, transmission mounts, seals and gaskets, but excluding a manual clutch, pressure plate, throw-out bearings, clutch master or slave cylinders.
  - Front Wheel Drive**—all internal lubricated parts, axle shafts, constant velocity joints, front hub bearings, seals and gaskets.
  - Rear Wheel Drive**—all internal lubricated parts, propeller shafts, supports and U-joints, axle shaft and bearings, seals and gaskets.
- What is excluded from this limited warranty?**
  - Any and all parts not expressly specified in Part 2 above;
  - This written warranty excludes repairs covered by any manufacturer's warranty, or recall program, as well as repairs of a covered item required because of collision, abuse, or the purchaser's failure to properly maintain the used motor vehicle in accordance with the manufacturer's recommended maintenance schedule. This

limited warranty also excludes damage of a covered item caused as a result of any commercial use of the used motor vehicle, or operation of the vehicle without proper lubrication or coolant, or as a result of any misuse, negligence or alteration of the vehicle by someone other than the dealer.

- What is the dealer's obligation during the term of this limited warranty?**  
The dealer or its agent, upon failure or malfunction of a covered item during the term of this warranty, shall correct the malfunction or defect provided the used motor vehicle is delivered to the dealer at his regular place of business, and subject to a deductible amount of \$50 to be paid by the purchaser for each repair of a covered item. If, within the specific warranty period, the dealer or its agent fails to correct a material defect of the used motor vehicle after a reasonable opportunity to repair, the dealer shall repurchase the used motor vehicle and refund to the consumer the full purchase price, excluding all sales taxes, title and registration fees or any similar governmental charges, and less a reasonable allowance for excessive wear and tear and less a deduction for personal use of the vehicle. "A reasonable opportunity to repair" is defined as (a) *The same material defect has been repaired three or more times by the dealer or his agent within the warranty period, but the material defect continues to exist;* or (b) *The used motor vehicle is out of service by reason of waiting for the dealer to begin or complete repair of the material defect for a cumulative total of 20 or more days during the warranty period.*
- Extension of duration of warranty.**  
The duration of this warranty shall be extended by any time period during which the used motor vehicle is waiting for the dealer or his agent to begin or complete repairs of a material defect of the used motor vehicle.
- What are the purchaser's obligations?**  
To obtain repairs or replacements under the limited warranty, Purchaser must:
  - Deliver the used motor vehicle to the dealer at his regular place of business;**
  - Pay \$50 to the dealer for each repair of a covered item.**

I acknowledge that I have read all of the provisions of this limited warranty and fully understand and accept it. I further acknowledge receipt of a copy of this limited warranty.

Date: \_\_\_\_\_ Purchaser's Signature: \_\_\_\_\_ Dealer's Signature: \_\_\_\_\_

APPENDIX B

"As Is" Disclosure Form

This form applies only to the sale of a used passenger motor vehicle which is six or less model years old and has more than 60,000 miles but less than 100,000 miles and which the consumer wishes to buy "AS IS" as the result of a price negotiation.

If a used motor vehicle is sold "AS IS," it means a used motor vehicle sold is by a dealer to a consumer without any warranty, either express or implied, and with the consumer being responsible for the cost of any repairs to that motor vehicle. That means that it is being sold WITHOUT the following warranty which is available under the Used Car Lemon Law (N.J.S.A. 56:8-67): 30 days or 1,000 miles, whichever comes first.\*

This is the coverage available under the Used Car Lemon Law which is now being waived (given up) by the purchaser:

Parts of the vehicle which are covered by the limited warranty: Under the law only "Covered Item" which include the following components of a used motor vehicle:

- a. Engine—all internal lubricated parts, timing chains, gears and cover, timing belt, pulleys and cover, oil pump and gears, water pump, valve covers, oil pan, manifolds, flywheel; harmonic balancer, engine mounts, seals and gaskets, and turbo-charger housing; however, housing, engine block and cylinder heads are covered items only if damaged by the failure of an internal lubricated part.
b. Transmission Automatic/Transfer Case—all internal lubricated parts, torque converter, vacuum modulator, transmission mounts, seals and gaskets.
c. Transmission Manual/Transfer Case—all internal lubricated parts, transmission mounts, seals and gaskets, but excluding a manual clutch, pressure plate throw-out bearings, clutch master or slave cylinders.
d. Front Wheel Drive—all internal lubricated parts, axle shafts, constant velocity joints, front hub bearings, seals and gaskets.
e. Rear Wheel Drive—all internal lubricated parts, propeller shafts, supports and U-joints, axle shaft and bearings, seals and gaskets.

- 2. Dealer's obligation during the term of the limited warranty: The dealer or its agent, upon failure or malfunction of a covered item during the term of this warranty, shall correct the malfunction or defect, provided the used motor vehicle is delivered to the dealer, (all repairs must be performed by the selling dealer or its agent) at the dealer's regular place of business, and subject to a deductible amount of \$50 to be paid by the purchaser for each repair of a covered item. If, within the specific warranty period, the dealer or its agent fails to correct a material defect of the used motor vehicle after a reasonable opportunity to repair it, the dealer shall repurchase the vehicle and refund to the purchaser the full purchase price, excluding all sales taxes, title and registration fees or any similar governmental charges, and less a reasonable allowance for excessive wear and tear and less a deduction for personal use of the vehicle. "A reasonable opportunity to repair" is defined at N.J.S.A. 56:8-71 as: (a) The same material defect has been repaired three or more times by the dealer or his agent within the warranty period, but the material defect continues to exist; or (b) The used motor vehicle is out of service by reason of waiting for the dealer to begin or complete repair of the material defect for a cumulative total of 20 or more days during the warranty period.
3. Purchaser's obligation: To obtain repairs or replacements under the limited warranty, Purchaser must:
a. Deliver the used motor vehicle to the dealer at its regular place of business;
b. Pay a deductible amount of \$50 to the dealer for each repair of a covered item.

If you buy a car "As Is" you will pay the cost of any and all repairs.

Year \_\_\_\_\_ Make \_\_\_\_\_ Model \_\_\_\_\_

Vehicle Identification Number \_\_\_\_\_ Odometer Reading \_\_\_\_\_

\_\_\_\_\_ Date \_\_\_\_\_ Purchaser's Signature \_\_\_\_\_ Co-Purchaser's Signature (if applicable) \_\_\_\_\_