

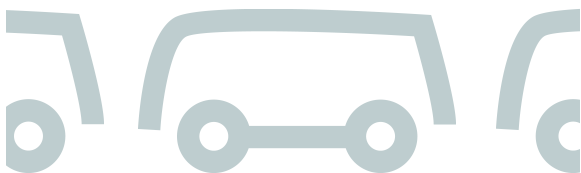
CAP  **RV**

CONSUMER ARBITRATION PROGRAM

Administered by DeMars & Associates, Ltd.

Consumer Arbitration Program

for Recreation Vehicles



Arbitration Rules



DeMars & Associates, Ltd.
Innovative Dispute Resolution

A. Introduction

This guide gives basic information about CAP-RV, the Consumer Arbitration Program for Recreation Vehicles ("Program"). The Program operates under the Magnuson-Moss Warranty Act ("Mag-Moss Act") and the California Song Beverly Consumer Warranty Act (the "Warranty Act"). More details on program operations can be obtained by contacting the Program Administrator at (800) 279-5343.

CAP-RV reviews warranty-related motor home repair concerns. To be eligible for CAP-RV, vehicles must be within the bumper-to-bumper new vehicle limited warranty when the application is received. Disputes regarding vehicle conditions not covered by the Warranty Act, such as the portions of a motor home designed, used or maintained primarily for human habitation, are not eligible for arbitration.

B. Administration of the Program

DeMars & Associates, Ltd. ("Administrator") administers the Program. The Administrator does not decide cases, but is responsible for the overall administration of the Program, including collecting necessary documents, scheduling the arbitration hearing and providing the parties with impartial, qualified Arbitrators. This program is free to motor home owners, and all administrative fees, including the Arbitrator fees, are paid by the involved motor home manufacturer(s).

C. Program Timeline

The Program makes every effort to resolve cases within 40 days of the date the application is received. The 40-day timeline can be extended for a few limited reasons.

The process begins when the Administrator receives an application form from you.

The Administrator reviews the application to see if it meets Program requirements. If the case does not meet eligibility requirements, you will be notified in writing, and will be given 30 days to appeal that decision.

If the case is eligible, you and the manufacturer are notified in writing, and a date is set for the arbitration hearing. The parties are also provided additional information regarding program operations, along with the Administrator's address.

Any requests for information or any written information need to be submitted to the Administrator.

D. Arbitration

In Arbitration the parties agree to let an impartial person decide the case for them. In California, you are required to use this arbitration process before asking a court for the rights and remedies available under California Civil Code Section 1793.22 (the lemon law presumption).

Arbitration is a less formal process than litigation. The arbitration hearing is conducted to encourage a full and complete disclosure of the facts and to give each party a full and equal opportunity to present their case.

Any decision of the Arbitrator is binding on the manufacturer once you accept that decision, and the manufacturer is required to act in good faith in carrying out the terms of the decision.

An arbitration date is scheduled when the case is opened. When the arbitration hearing is scheduled, the Administrator provides the parties with the following information:

1. the identity and biography of the assigned Arbitrator;

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2. the scheduled arbitration hearing date, time and location;
 3. notice that if one party fails to appear at the agreed upon time and place, the presentation by the other party may still be allowed;
 4. a reminder to the consumer that the vehicle may be brought to the arbitration hearing if it is operable and capable of being safely driven, along with current proof of insurance; and
 5. applicable Program forms.

The arbitration hearing is cancelled if a settlement is reached prior to the hearing date. This may occur through mediation.

Arbitration can take place after a settlement is reached if you notify the Administrator that the manufacturer has not completed a settlement agreement within the required timeframe.

The Administrator will contact you within ten (10) days after the required time to verify that the manufacturer complied with the Arbitrator's decision. You must notify the Administrator at this time, if you would like to request Arbitration.

E. Program Forms

Each party is required to complete a Warranty Repair Information Form and provide it to the Administrator, who will send it to the other parties. The form requests information about the vehicle and the repair history.

In addition, each party is required to complete a Pre-Arbitration Hearing Information Form and provide it to the Administrator, who will send it to the other parties. The form requests information such as:

1. whether the party will be represented by an attorney;

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2. whether the consumer will be using an interpreter;
 3. the witnesses to be called by the party;
 4. the documents the party wants the arbitrator to consider that have not already been submitted; and
 5. whether the party wants the arbitrator to inspect, test-drive or ride in the vehicle.

The Administrator must receive the signed Pre-Arbitration Hearing Information Form at least seven (7) days before the arbitration hearing.

The Administrator will assign an Arbitrator to hear the dispute and make a decision. The Administrator will provide the Arbitrator with all relevant documents submitted to the Administrator by the parties prior to the arbitration hearing.

The Administrator will set the date, time, and place for the hearing when the case is opened. Every effort is made to hold the hearing at a site reasonably convenient to you.

F. The Hearing

Arbitration hearings are open to the public as required by the Mag-Moss Act and California law.

Representation. Any party may be represented by an attorney, however the attorney's name, address and telephone number must be included on the Pre-Arbitration Hearing Information Form. All parties must be represented by persons who have authority to settle the dispute.

Preparation for Arbitration Hearing.

You should come to the hearing prepared to present testimony, documents and other evidence on all aspects of the dispute, including information related to the relief you are requesting. You should bring copies of all documents you have

submitted to the Program and to the opposing side, and all documents you have received from the Program and the opposing side.

Testimony. Should you fail to appear at the scheduled time, the Arbitrator may either decide the dispute or give you an opportunity to respond to any contradictory evidence or submit additional information before a decision is made. The Arbitrator has the authority to make a decision regardless of whether or not an oral presentation is made.

Evidence. The Arbitrator will receive and consider statements of witnesses, affidavits, testimony and documents. The arbitrator has the authority to judge the significance of the information offered by any party, and is not required to follow formal rules of evidence.

The Vehicle. You may have the vehicle at the arbitration hearing if the vehicle is operable and can be safely driven to the hearing. You must bring proof of current insurance coverage for the vehicle to the hearing.

The Arbitrator may inspect your vehicle if you or the manufacturer requests the inspection or if the Arbitrator feels it would be beneficial.

Additionally, the Arbitrator may test-drive or ride in the vehicle. You and the manufacturer(s) must be present and accompany the Arbitrator on such inspection or ride unless you or the manufacturer(s) waives its right to be present on the record.

Order of Proceedings at the Arbitration Hearing. The Arbitrator will start the hearing by filing the Arbitrator's oath and recording the date, time and place of the hearing, the name of the case and the names and addresses of parties, attorneys and witnesses present.

The Arbitrator will also include a description of the exhibits in the order received in the record.

The Arbitrator may ask for statements clarifying the issues involved. The Arbitrator will administer an oath or affirmation to all persons who give testimony.

Oral presentations are limited to two (2) hours for each side of the dispute for a total of four (4) hours. The Arbitrator may extend the oral presentation time at his/her discretion.

You are expected to present testimony and documents to support your claim.

If you or your witnesses testify, the manufacturer representative(s) or attorney(s) will have the opportunity to ask questions when the testimony is completed.

The manufacturer(s) will then present testimony and documents supporting its defense. You or your attorney will have the opportunity to question the manufacturer witnesses about their testimony after each one testifies.

The Arbitrator may question any witness at any time during the hearing.

After all testimony, the Arbitrator will decide whether he/she will inspect and/or test-drive the vehicle, if the vehicle is present at the hearing. If the inspection and/or test drive is conducted, the parties will have the opportunity to offer additional testimony after all persons have returned to the hearing room.

Each party shall then have an opportunity to make a brief closing statement.

The Arbitrator has the discretion to vary this procedure but shall give a full and equal

opportunity to all parties for the presentation of any material and relevant evidence.

Closing the Hearing. Before closing the hearing, the Arbitrator will ask all the parties if they have any additional information to present or witnesses to testify. The Arbitrator will declare the hearing closed when the parties answer no to that question or when the Arbitrator is satisfied that the record is complete.

Scope of Decision. The Arbitrator will render a fair decision based upon the information gathered by the Program and upon any information provided by the parties. In addition, the Arbitrator will take into account all legal and equitable factors, including but not limited to the written warranty, the provisions of the Warranty Act, program rules and any other appropriate equitable factors.

Available Awards.

- Refund of vehicle purchase price;
- A substantially identical replacement vehicle;
- A further repair;
- Reimbursement for incidental expenses;
- No further action; or
- Any other remedy which the Arbitrator determines is appropriate.

Attorney's fees, consequential damages and lost wages are not available awards.

Time and Form of Decision. The Arbitrator will make a decision within ten (10) days of the date of the hearing. The decision is sent to you in writing, signed by the Arbitrator, and includes a brief statement of the reasons for the decision.

Reasonable Offset for Use of the Vehicle.

If the Arbitrator orders that the vehicle be replaced or repurchased, you may be assessed a mileage charge for your use of the vehicle. The mileage is calculated by taking the number of miles driven up until the time you first took the vehicle to the manufacturer, distributor, or its authorized service and repair facility for correction of the concern that gave rise to the replacement or refund, dividing that number by 120,000, and then multiplying that number by the actual price of the vehicle paid or payable by the buyer.

Additional information regarding Lemon Law remedies and the offset for use can be found in "Lemon-Aid for Consumers" published by the California Department of Consumer Affairs and distributed to consumers at the time of vehicle acquisition, or on the website

www.dca.ca.gov/acp. If you are dissatisfied with the decision or the manufacturer's intended actions or performance, legal remedies, including small claims court may be pursued.

The decision of the Arbitrator is admissible in any subsequent legal proceedings. Parties are entitled to receive copies of all the Program's records related to the dispute, at a reasonable cost.

Compliance with Arbitrator's Decision. If the decision is in your favor, the manufacturer must complete the terms of the decision within thirty (30) days of the date you accept the decision. Compliance occurs on the date you receive the award specified in the decision. The Administrator will contact you within ten (10) days after the required time to verify that the manufacturer complied with the Arbitrator's decision.

If the manufacturer fails to carry out the terms of an award within the specified time frame, or if you assert that a further repair attempt award has not resolved the concern(s), you may contact the Administrator to request that the Arbitrator reconsider the decision. The Administrator will investigate the dispute and treat it as a new dispute, however all phases of the process will be expedited to the extent possible. Whenever possible, the same Arbitrator will hear and decide the reconsideration request.

A decision of the Arbitrator is binding on the manufacturer once you accept it. If you reject the decision, or the manufacturer fails to complete the terms of an accepted decision within the required timeframe, the consumer may pursue other rights and remedies available under State or Federal law.

The Arbitrator shall not be compelled to testify in regard to the arbitration in any adversarial proceeding or judicial forum pursuant to California Evidence Code section 703.5.

Administrator's Office

If you have any questions about this Program, please contact the Administrator at:

CAP-RV

**P.O. Box 1424, Waukesha, WI 53187-1424
(800) 279-5343**

Email: info@demarsassociates.com

Provide your case number on all communications.

Special Accommodations

If you need special accommodations to participate in the arbitration hearing you should contact the Administrator no later than ten (10) days prior to the hearing date. If you are hearing impaired, contact the Administrator via TTY Relay Service at 800-947-3529. An interpreter will be provided by the Administrator upon request.