INSTRUCTIONS FOR PREPARING, FILING, AND SERVING AN ANSWER IN DISTRICT COURT
(Auto Loan Deficiency Balance)

If you've been served with a Summons and Complaint in District Court and have been named as a defendant in the case, you have the option of preparing, filing, and serving an Answer in response to the Complaint. An Answer is your formal reply to the court and the plaintiff's attorney (or the plaintiff if he doesn't have an attorney). You must reply to each paragraph in the Complaint by admitting it, denying it, or denying it because you don't have enough knowledge or information to be able to admit it. You only have 20 days from the day you were served with the Summons and Complaint to file and serve your Answer. If you don't file an Answer with the court and serve a copy to the plaintiff's attorney (or the plaintiff, if he's unrepresented) within 20 days of the day you were served, then the plaintiff may obtain a default judgment against you.

WARNING: The filing of an Answer affects your legal rights. If you file an Answer, you have agreed that the court in which you file your Answer has good and proper jurisdiction over you to decide your case.

PART I - PREPARING YOUR ANSWER

The Answer form attached to these instructions can be used in the following circumstances: You purchased a car and financed part of the cost. You did not finish paying the loan and either the car was repossessed or you voluntarily surrendered it. Your creditor sold the car, but the amount brought at the sale did not cover what you owed on your loan -- a deficiency. Now you are being sued for that money, plus the costs of repossession, storage, and sale, as well as attorney fees and costs.

This package and the attached Answer can help you assert the most common defenses that arise in this type of a case. It does not contain every defense which may apply in your case. You must consult an attorney to determine what defenses you might have and the likelihood of success for those defenses on the facts in your particular case. Also, you must be aware that the brief description of each defense given below is not complete. *Entire books* have been written explaining these defenses, and those books must be consulted for a more complete understanding of the topic.

Counterclaims: The form Answer provided with this packet does **not** contain a counterclaim. A counterclaim is a claim you may have against the person suing you. If you have a counterclaim and if it arises out of the same transaction or occurrence for which you are being sued, then you must assert the counterclaim or lose it. You should consult an attorney to determine whether you have a counterclaim. Facts supporting many of the defenses contained in the form Answer would also support a counterclaim.

Defenses good against the dealer are good against the company which purchased your contract and is now suing you: If you have a defense which is good against the dealer, but the

dealer sold your contract to a finance company or bank (or collection agency) which is now suing you, you can assert those defenses against the person suing you. Under Federal law (16 C.F.R. § 433) and state law (NAC 97.050) your contract should state that the assignee of the contract takes it subject to all claims and defenses which you have against the seller.

- On page 1 of the Answer, start by completing your name (line 1), address (lines 2 and 3), and telephone number (line 4). You'll see on line 5 that you're designated as the "Defendant pro se." The "defendant" is the person defending the case. The phrase "pro se" lets the court know that you're defending yourself.

- On page 1, lines 7 to 14, complete the caption as it appears on the Complaint: plaintiff's name, defendant's name, case number, and department number. The case caption should remain the same throughout the case.

- On page 1, line 15, fill in the blank with your name. Notice again that you're designated as the defendant "pro se," which means that you're defending yourself in the case.

- Paragraph No. 1 (page 1, lines 18-19) admits that you purchased the car. If this is not true, then don't use this form Answer.

- Paragraph No. 2 (page 1, lines 20-21) admits that you signed a contract to purchase the car and that you did not pay the contract in full. If this is not true, then do not use this form Answer.

- Paragraph No. 3 (page 1, lines 22-24) states that defenses which are good against the dealer are good against the company which purchased your contract and is suing you.

- Paragraph No. 4 (pages 1 to 7) states that you have one (or more) defense to payment. If this is not true, then do not use this Answer form. A summary explanation of each defense listed is included below. However, you may want to contact an attorney for a full explanation of the defenses and an analysis of whether a particular defense applies to your case.

EXPLANATION OF DEFENSES

Defense No. 4.A (page 1, line 27)**:** After your car was repossessed, if you did not receive a written notice advising you that the creditor intended to sell the car, and giving you the right to redeem (pay off) your car before the creditor sold it, then check this box. If the plaintiff/creditor cannot produce the notice and/or the court finds your claim to be credible, then no deficiency judgment should be entered against you.

Defense No. 4.B (page 2, line 5): The plaintiff/creditor is required to prove how it sold the car, the sales price, and that the sale was conducted in a commercially reasonable manner. Cars are often disposed of at auctions and such auctions, if properly conducted, have been held to be a commercially reasonable way of selling cars. However, if you had the car a short time and/or drove it very little and you are being sued for a large deficiency (which is not accounted

for by the difference between wholesale and retail, plus the interest accrued under your contract), then something is not adding up: perhaps either you were charged an unconscionable price initially (NRS 104.2302) or the sale after repossession was not commercially reasonable (NRS 482.5163(1)).

Defense No. 4.C (page 2, line 9): If you have evidence that the dealer breached a **written** warranty, then check this box. A warranty is a promise or affirmation of fact which became part of the basis of the bargain. You may have received a written warranty, such as one month or 1,000 miles, or such as 50% parts 50% labor for one year, which the dealer then refused to honor. If this cost you money, i.e. if you had to have the car repaired elsewhere, then bring your written warranty and your receipts to court. This may reduce the amount you owe.

Defense No. 4.D (page 2, line 15): Unless validly excluded, a warranty of merchantability is implied in sales of goods. If the dealer breached the implied warranty of merchantability, then check this box. Although merchantability has several meanings, the one most commonly applied to used cars is that the car was not fit for the ordinary purpose for which such goods are used, i.e., personal transportation. The question of merchantability of a used car can be complex. Quality expectations may be compromised due to age and use. And the car must have had problems which substantially impaired its value. The following are examples of situations held sufficient to breach the implied warranty of merchantability: a transmission which fell out on the day of purchase and brakes which failed after one week; an inoperable engine, probably due to low compression; an engine destroyed within forty days of sale because of a lack of oil pressure; a roaring noise, excessive vibration, a fluid leak, poor gas mileage, a dead battery, and a tendency to pull to the right. Of course, if you no longer have the car you will not be able to have a mechanic inspect the car now and testify in court. Therefore, you will need records of repair or the testimony of the person who worked on the car.

Many times the dealer will not dispute that the car had many problems and that some were serious, but will simply say, "The car was sold 'As Is.'" Your claim will not work with an "As Is" sale unless an exception exists. The exceptions include:

(i) If your dealer gave you any type of written warranty (e.g., 50% parts/0% labor), then federal law prohibits the disclaimer of implied warranties. Also, if your dealer entered into a service contract (look for an itemized charge in your contract) whether you received one or not, federal law likewise prohibits the disclaimer of implied warranties.

(ii) If the sale was conducted in Spanish and if you speak and read Spanish only, yet the disclaimer of warranties was in English, the dealer's practice violates federal law. This gives you an argument that the disclaimer was not conspicuous as required by Nevada statute and is a deceptive trade practice in violation of Nevada statute.

(iii) A contract is ambiguous (unclear) if it can reasonably be understood to reach two or more possible meanings. Also, since the dealer writes its own contracts and since you do not have a choice in the matter, they are known as contracts of adhesion and are strictly construed against the author. If the disclaimer of implied warranties is ambiguous, check this box.

(iv) The dealer is required to prove the disclaimer was made at or prior to the time you signed

the contract to buy the car. Usually the disclaimer is stated right in the contract so this is not a problem. But if the dealer did not disclose to you that all implied warranties are excluded until after you signed the contract, then check this box.

(v) To exclude or modify the implied warranty of merchantability, the language must mention merchantability and in the case of a writing must be conspicuous. NRS 104.2316.

Defense No. 4.E (page 3, line 2): If you purchased a used car after October 1, 1997, with mileage of 75,000 or more, then Nevada law requires the dealer to inspect the engine and drivetrain and to give written disclosure of defects known or which should have been known. Drivetrain is defined in the statute to include the transmission, drive shaft, torque converter, differential, universal joint and constant velocity joint. If one of these systems or your engine failed shortly after purchase, then an inference may arise that the dealer failed to perform its statutory duty to inspect and/or disclose defects if it did inspect. If this caused you damages, then check this box.

Defense No. 4.F (page 3, line 5): The statutes list more than twenty-eight acts which fall within the definition of a deceptive trade practice so you must consult the statutes, NRS 598.0903 *et seq*. The most common acts of deception involve knowingly making a false representation or knowingly failing to disclose a material fact. Generally, this involves proof of an intent to deceive on a matter important to the transaction which caused you damage.

Defense No. 4.G (page 3, line 13): If there was substantial nonconformity of the vehicle with the contract (e.g., the vehicle was sold with a written warranty and the car repeatedly broke down, as a result of which you returned it to the dealer for repairs on a number of occasions, and the dealer repeatedly failed to repair the car) (e.g., the vehicle was not as described in the contract, i.e., a 1998 Pontiac Bonneville with 80,000 miles), causing you to return the car for that reason, then you may be considered to have revoked your acceptance and should check this box. The problem needs to have been for things which substantially impaired the value of the vehicle to you, and the dealer should have been allowed a reasonable opportunity to cure the problem.

Defense No. 4.H (page 3, line 23): When disclosure of the mileage is required (generally, all cars less than 10 years old), the dealer is required to make that disclosure to you on the title. The only exceptions are (1) when the dealer does not have the title because it is held by a lien holder or is lost, then mileage disclosure is made to you on a power of attorney printed by means of a secure printing process which contains the same information as is on the back of the title; (2) when the vehicle has not been titled or the title does not contain a space for such information, then mileage disclosure may be made on a reassignment document. If you have evidence that the mileage disclosure made was false, you can check this box <u>but you should see an attorney as this is a priority issue</u>. As noted in the Answer, such facts can support a defense under both Federal law and for breach of warranty under state law. However, if your car was more than 10 years old when you bought it, odometer disclosure is not required by federal law. Nonetheless, if you were given an odometer disclosure which was false, then you still have a defense.

Defense No. 4.I (page 4, line 8): If you have evidence that the car had been wrecked and rebuilt, salvaged and rebuilt, stolen, water-damaged, or was a new car factory lemon buy-back vehicle, and this was not disclosed to you and caused you damages, then check this box but you should see an attorney as this is a priority issue. Nevada does have a new car lemon laundering law so an undisclosed history as a lemon buy-back vehicle likely violates the law. And for a used car, failing to disclose whether a vehicle is a salvage or rebuilt vehicle violates NRS 487.830. Likewise, failing to disclose a known history of a previously wrecked vehicle, or failing to disclose such a history when it would be obvious to an experienced individual such as a dealer in used cars, should support an action based on deceptive trade practices for failure to disclose a material fact.

Defense No. 4.J (page 4, line 11): If the dealer failed to display the Federal "Buyers Guide" as required by 16 C.F.R. § 455 (see attached sample), and if as a result you were misled as described in one of the ways in subparagraphs lettered (i) through (v), then check this box. Such facts may support a deceptive trade practice in violation of NRS 598.0903 *et seq.*

Defense No. 4.K (page 4, line 24): If you financed your purchase and did not receive a completed sales agreement that is required by Federal law (see attached sample), then check this box. For transactions within the scope of the Truth in Lending Act (generally, credit regularly extended by a creditor to a consumer which is subject to a finance charge and the credit is primarily for personal, family or household purposes), information must be conveyed to the consumer in the form of written disclosures before consummation of the transaction. Truth in Lending dictates not only what information must be disclosed but how and when it should be disclosed. Different types of transactions carry distinct disclosure requirements. The reader should bear in mind that exceptions exist which are beyond the scope of this description.

* Disclosures are to be delivered to the consumer prior to entering into the transaction.

* The required disclosures must be made clearly and conspicuously.

* The disclosures must be in writing in a form the consumer can keep.

* The amount financed (i.e. the amount of credit provided to you or on your behalf) must be disclosed using that term.

* The "finance charge" (i.e. the dollar amount the credit will cost you) must be disclosed using that term. Improper disclosure arising from error in calculation of the finance charge is a frequent creditor violation. One must consider all fees and costs charged and compare that total to the disclosed finance charge. Also, one common way to hide a charge is to actually not give the debtor the stated amount financed.

* The "annual percentage rate" ("APR") (i.e. the cost of your credit as a yearly rate)

must be disclosed using that term. While creditors do err in both the calculation and form of the APR, the more likely error is in the determination of the finance charge used to calculate the APR.

* The creditor must disclose the payment schedule, including the number of payments, the amount of each payment, and the timing of the payments scheduled to repay the obligation.

* The "total of payments" (i.e. the amount you will have paid when you have paid all the scheduled payments) must be disclosed using that term.

* The creditor must disclose whether it has or will acquire a security interest in the property being purchased as part of the transaction or in other property.

Violation of the above disclosure provisions can result in statutory damages, actual damages, and attorney fees.

Defense No. 4.L (page 5, line 15): Nevada law provides that every contract for the sale of a vehicle must contain certain information. NRS 97.297 *et seq.* In fact, the commissioner of financial institutions has prescribed, by regulation, forms for the application for credit and contracts to be used in the sale of vehicles. You must obtain current copies of the statutes and regulations to compare them with your contract to see if your contract complies. One of the requirements of the statute is that the contract must contain the following notice in at least 10-point bold type:

> Do not sign this agreement before you read it or if it contains any blank spaces. You are entitled to a completed copy of this agreement. If you pay the amount due before the scheduled date of maturity of the indebtedness and you are not in default in the terms of the contract for more than 2 months, you are entitled to a refund of the unearned portion of the finance charge. If you fail to perform your obligations under this agreement, the vehicle may be repossessed and you may be liable for the unpaid indebtedness evidenced by this agreement.

Defense No. 4.M (page 5, line 19): The entity suing you may or may not have the right to do so. The holder of security interests in tens of thousands of vehicles in the United States is often a legal entity separate from such corporations as, e.g., Ford Motor Credit Company. You should accordingly request that plaintiff/creditor be put on strict proof that it is the current holder of the debt on which it is suing you.

Defense No. 4.N (page 5, line 26): An "Affirmative Defense" is an argument or assertion of fact by the defendant that, if true, will defeat the plaintiff's claim even if all of the allegations in the plaintiff's Complaint are true. The following are very general definitions for the Affirmative

Defenses set forth in Nevada Rules of Civil Procedure 8(c). If you have questions regarding an Affirmative Defense or how it might apply to your case, you should consult with an attorney.

Accord and Satisfaction – This defense might apply if the parties agreed to give and accept something to settle the claim that's being argued about in the lawsuit, and then they performed that agreement. It might apply, for example, if plaintiff agreed to settle the claim for a lower amount than he's suing for, and defendant paid the lower amount to plaintiff. The "accord" is the new agreement, and the "satisfaction" is performance of the new agreement.

Arbitration and Award – This defense might apply if the same thing that is being argued about in the lawsuit has already been decided by an arbitrator in an arbitration. An "arbitration" is a sort of mini-trial, less formal than a court proceeding, where the parties present their case to an arbitrator, who then makes a decision.

Assumption of the Risk – This defense might apply if plaintiff suffered some personal injury as the result of an action he took, but plaintiff knew of the possible risk of harm beforehand and chose to go forward with the action anyway. Generally, a person can't recover for an injury he received when he voluntarily exposed himself to a danger that he knew about and appreciated.

Contributory Negligence -- This defense might apply if plaintiff suffered some personal injury, but contributed to his own injury by being negligent along with the defendant who caused the injury.

Discharge in Bankruptcy – This defense might apply if defendant filed bankruptcy, and the claim that defendant is being sued for was included in the bankruptcy and "discharged" by the bankruptcy court.

Duress – "Duress" means compelling someone to act against his wishes or interests by force, false imprisonment, or threats. This defense might apply, for example, where force was used to get someone to sign a will or agreement, in which case a court could declare the will or agreement void.

Estoppel – "Estoppel" means that if plaintiff made a statement relating to the thing being sued for, and defendant relied on that statement to his injury, then the court might prevent plaintiff from taking some position different than the statement he first made. For example, in a case filed by a landlord to recover rent, if the landlord told the tenant that no rent would be charged for each month the tenant performed work at the apartment complex, and if the tenant actually performed the work, the court might find that the landlord was "estopped" (or precluded) from claiming he was entitled to rent for every month of the lease.

Failure of Consideration – "Failure of consideration" means that the thing that plaintiff is seeking payment for in his lawsuit has lost all of its value and become worthless or has ceased to exist. This defense might apply if, for example, plaintiff never performed the services he's suing for, or if the product purchased from plaintiff is completely defective.

Fraud – "Fraud" means an intentional misrepresentation, deception, or concealment of an important fact, made with the intent to deprive another person of his rights or property or to otherwise injure another person. For example, if a car dealer sold a car and told the buyer that the car was a 2009 model in pristine condition, but the dealer actually knew that the car was a 2001 model that had been repeatedly wrecked, the dealer might be guilty of fraud.

Illegality – This defense might apply if the contract at issue in the case requires a party to perform an illegal act or to violate the law, in which case the contract might be unenforceable.

Injury by Fellow Servant – This defense might be used by an employer who is being sued by an employee for some personal injury the employee suffered on the job, where the injury to the employee was actually caused by the negligence or misconduct of another employee (i.e., a "fellow servant" of the injured employee).

Laches – This defense might apply if plaintiff failed to act promptly to enforce his rights. If plaintiff waited a long time to file a lawsuit, without having a good reason for the delay, and the delay has made it harder for defendant to defend the case, "laches" might apply to bar plaintiff's lawsuit.

License – This defense might apply if defendant received permission from plaintiff or some other authority to take the action that plaintiff is now suing over, which action would have been unlawful if defendant had not received permission. For example, plaintiff might not be able to recover against defendant for trespass if plaintiff gave defendant permission (or "license") to enter his property.

Payment – This defense might apply if the payment at issue in the lawsuit has already been made (or the promise fulfilled or the agreement performed).

Release – This defense might apply if plaintiff has made some written or oral statement discharging (or "releasing") defendant from the payment, obligation, or duty that is the subject of plaintiff's lawsuit.

Res Judicata – "Res judicata" literally means a thing that has already been judicially decided. This defense might apply if plaintiff's claim in his current lawsuit has already been decided by a court in a previous lawsuit and a final judgment has been entered.

Statute of Frauds – The "statute of frauds" is a law that requires many different types of contracts to be in writing. This defense might apply if the parties have no written contract and the "deal" that plaintiff is suing on relates to the sale of goods priced over $500, or the sale of land, or the guaranty of someone else's debt, or some service or obligation that couldn't be performed within one year.

Statute of Limitations – The "statute of limitations" is a law that sets the maximum time periods during which certain claims can be brought or rights enforced. If plaintiff files his complaint after the

time period set out in the statute has past, the court might dismiss plaintiff's complaint and find that it's barred by the statute of limitations.

Unclean Hands – This defense might apply if the plaintiff has acted in bad faith, which means he acted unethically or committed a wrongdoing. A plaintiff might have acted with unclean hands if the plaintiff acted dishonestly or fraudulently.

Waiver – This defense might apply if plaintiff has knowingly given up some right or if plaintiff's actions could lead the court to believe that he's given up that right. For example, if an apartment lease requires payment of rent on the first of every month, but the landlord has always allowed the tenant to pay on the fifteenth of every month, a court might find that the landlord has "waived" his right to enforce the lease's requirement that rent be paid on the first.

Defense No. 4.0 (page 7, line 6): Insert any other defense which you have grounds to assert.

- You must date and sign your Answer on page 7, lines 15 to 19.

- Page 8 of your Answer contains the Certificate of Mailing. Provide the name and address for the plaintiff's attorney (or the plaintiff if he does not have an attorney) on lines 5 to 9. You can find this information on the top of page 1 of the Complaint. By dating and signing the Certificate of Mailing, you are telling the court that you have served a copy of your Answer to the plaintiff (if the plaintiff is unrepresented) or plaintiff's attorney (see Part II - Serving & Filing Your Answer).

PART II - SERVING & FILING YOUR ANSWER

After completing your Answer, you must serve the plaintiff's attorney (or plaintiff directly if he has no attorney) with a copy of your Answer by mail. You will find the attorney's address on the first page of the Complaint. You must mail a copy to the plaintiff's attorney on the same date that you filled in on the Certificate of Mailing on page 8, line 2, of your Answer.

Next, take your original Answer and the remaining copies to the clerk of the District Court. The filing fee for an Answer in District Court is $223 for one defendant. (If the Answer is being filed in a construction defect or other complex case, the filing fee is $473; and if the Answer is being filed in a business court case, the fee is $1,483.) Remember, your Answer is not official until it is filed. The clerk will file stamp your Answer and all of the copies. The clerk will then keep the original and at least two copies.

If you're unable to afford the filing fee, Nevada law allows you to ask the court to waive your filing fee. Waiving the filing fee is at the judge's discretion. If you want the court to waive your

filing fee, complete a fee waiver form. You can obtain a fee waiver form at the Self-Help Center or on the Center's website, www.clarkcountycourts.us/self-help.html.

PART III - WHAT HAPPENS AFTER I FILE MY ANSWER?

What happens after you file your Answer may depend on the admissions or denials you made in your Answer. Among other things, the plaintiff's attorney might serve you with a Motion for Summary Judgment, a Motion for Judgment on the Pleadings, or a notice directing you to meet for an early case conference. For more information or for the proper form to use for an opposition to any of these motions or notices, you should contact an attorney or visit the Self-Help Center or its website, www.clarkcountycourts.us/self-help.html.

If you believe you owe the amount alleged in the Complaint and wish to begin repaying it, you may be able to establish a repayment plan with the plaintiff's attorney. Keep in mind, however, that the plaintiff's attorney might have you sign a Confession of Judgment or Stipulation and Order for Judgment. Before agreeing to or signing any document, it is advisable to consult an attorney. You should carefully read the terms of the agreement including the rate of interest, attorney's fees provision, payment schedule, and terms of default. Remember that if you default on a payment plan, a judgment could be filed with the court and your wages and bank account could be garnished.

BUYERS GUIDE

IMPORTANT: Spoken promises are difficult to enforce. Ask the dealer to put all promises in writing. Keep this form.

_____

VEHICLE MAKE MODEL YEAR VIN NUMBER

_____

DEALER STOCK NUMBER (Optional)

WARRANTIES FOR THIS VEHICLE:

☐ AS IS - NO WARRANTY

YOU WILL PAY ALL COSTS FOR ANY REPAIRS. The dealer assumes no responsibility for any repairs regardless of any oral statements about the vehicle.

☐ WARRANTY

☐ FULL ☐ LIMITED WARANTY. The dealer will pay ____% of the labor and ____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:	**DURATION:**
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

☐ SERVICE CONTRACT. A service contract is available at an extra charge on this vehicle. Ask for details as to coverage, deductible, price, and exclusions. If you buy a service contract within 90 days of the time of sale, state law "implied warranties" may give you additional rights.

PRE PURCHASE INSPECTION: ASK THE DEALER IF YOU MAY HAVE THIS VEHICLE INSPECTED BY YOUR MECHANIC EITHER ON OR OFF THE LOT.

SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

BUYERS GUIDE

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_____

VEHICLE MAKE MODEL YEAR VIN NUMBER

_____

DEALER STOCK NUMBER (Optional)

WARRANTIES FOR THIS VEHICLE:

☐ IMPLIED WARRANTIES ONLY

This means that the dealer does not make any specific promises to fix things that need repair when you buy the vehicle or after the time of sale. But, state law "implied warranties" may give you some rights to have the dealer take care of serious problems that were not apparent when you bought the vehicle.

☐ WARRANTY

☐ FULL ☐ LIMITED WARANTY. The dealer will pay ____% of the labor and ____% of the parts for the covered systems that fail during the warranty period. Ask the dealer for a copy of the warranty document for a full explanation of warranty coverage, exclusions, and the dealer's repair obligations. Under state law, "implied warranties" may give you even more rights.

SYSTEMS COVERED:	**DURATION:**
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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SEE THE BACK OF THIS FORM for important additional information, including a list of some major defects that may occur in used motor vehicles.

Below is a list of some major defects that may occur in used motor vehicles.

Frame & Body
- Frame-cracks, corrective welds, or rusted through
- Dog tracks—bent or twisted frame

Engine
- Oil leakage, excluding normal seepage
- Cracked block or head
- Belts missing or inoperable
- Knocks or misses related to camshaft lifters and push rods
- Abnormal exhaust discharge

Transmission & Drive Shaft
- Improper fluid level or leakage, excluding normal seepage
- Cracked or damaged case which is visible
- Abnormal noise or vibration caused by faulty transmission or drive shaft
- Improper shifting or functioning in any gear
- Manual clutch slips or chatters

Differential
- Improper fluid level or leakage excluding normal seepage
- Cracked of damaged housing which is visible
- Abnormal noise or vibration caused by faulty differential

Cooling System
- Leakage including radiator
- Improperly functioning water pump

Electrical System
- Battery leakage
- Improperly functioning alternator, generator, battery, or starter

Fuel System
- Visible leakage

Inoperable Accessories
- Gauges or warning devices
- Air conditioner
- Heater & Defroster

Brake System
- Failure warning light broken
- Pedal not firm under pressure (DOT spec.)
- Not enough pedal reserve (DOT spec.)
- Does not stop vehicle in straight line (DOT spec.)
- Hoses damaged
- Drum or rotor too thin (Mfgr. Specs)
- Lining or pad thickness less than 1/32 inch
- Power unit not operating or leaking
- Structural or mechanical parts damaged

Steering System
- Too much free play at steering wheel (DOT specs.)
- Free play in linkage more than 1/4 inch
- Steering gear binds or jams
- Front wheels aligned improperly (DOT specs.)
- Power unit belts cracked or slipping
- Power unit fluid level improper

Suspension System
- Ball joint seals damaged
- Structural parts bent or damaged
- Stabilizer bar disconnected
- Spring broken
- Shock absorber mounting loose
- Rubber bushings damaged or missing
- Radius rod damaged or missing
- Shock absorber leaking or functioning improperly

Tires
- Tread depth less than 2/32 inch
- Sizes mismatched
- Visible damage

Wheels
- Visible cracks, damage or repairs
- Mounting bolts loose or missing

Exhaust System
- Leakage

_____

DEALER

_____

ADDRESS

_____

_____

SEE FOR COMPLAINTS

IMPORTANT: The information on this form is part of any contract to buy this vehicle. Removal of this label before consumer purchase (except for purpose of test-driving) is a violation of federal law (16 C.F.R. 455).

Big Wheel Auto

Alice Green

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.	Total Sale Price The total cost of your purchase on credit, including your downpayment of $ 1500 -
14.84 %	$1496.80	$6107.50	$7604.30	$9129.30

You have the right to receive at this time an itemization of the Amount Financed.

☐ I want an itemization. ☒ I do not want an itemization.

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due
36	$211.23	Monthly beginning 6-1-81

Insurance

Credit life insurance and credit disability insurance are not required to obtain credit, and will not be provided unless you sign and agree to pay the additional cost.

Type	Premium	Signature	
Credit Life	$120 -	I want credit life insurance.	Alice Green Signature
Credit Disability		I want credit disability insurance.	Signature
Credit Life and Disability		I want credit life and disability insurance.	Signature

Security: You are giving a security interest in:

☒ the goods being purchased.

☐ _____.

Filing fees $ 12.50 **Non-filing insurance $** _____

Late Charge: If a payment is late, you will be charged $10.

Prepayment: If you pay off early, you

☐ may ☐ will not have to pay a penalty.

☒ may ☐ will not be entitled to a refund of part of the finance charge.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

I have received a copy of this statement.

Alice Green — Signature

5-1-81 — Date

_____

e means an estimate