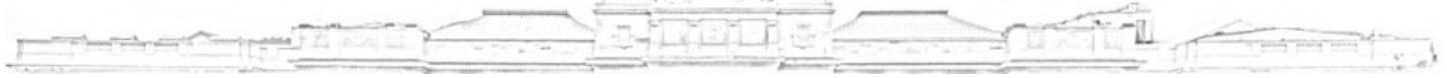




ADMINISTRATIVE RULES OF MONTANA



23.19.204 MOTOR VEHICLE SALES

It shall be an unfair or deceptive act or practice for a motor vehicle dealer to:

- (1) represent, either directly or indirectly, that any motor vehicle advertised or sold is an "executive vehicle" unless the vehicle has been used exclusively by its manufacturer, its distributor or a dealer for the commercial or personal use of the manufacturer's, subsidiary's, or dealer's employees;
- (2) represent either directly or indirectly that certain motor vehicles advertised or sold by the dealer are "demonstrators" or "demos" unless such vehicles have been driven by prospective customers of that or another dealership selling the vehicles;
- (3) represent the previous usage or status of a motor vehicle to be something that, in fact, it was not; or make such representations unless the dealer has sufficient information to support the representations;
- (4) represent the quality of care, regularity of servicing or general condition of any motor vehicle unless supportable by material fact;
- (5) represent that a motor vehicle has not sustained substantial structural or skin damage unless such statement is made in good faith and unless such vehicle has been inspected by the dealer, his agent or representative to determine whether or not such vehicle has incurred such damage in the past;
- (6) fail to fully and conspicuously disclose in writing at or before the consummation of sale any warranty or guarantee terms, obligations and conditions that the dealer or manufacturer has given to the buyer of the motor vehicle. If the warranty obligations are to be shared by both the dealer and the buyer, then the method of determining the percentage of monetary repair costs to be assumed by both parties shall also be disclosed. If the dealer intends to disclaim any expressed or implied warranties, then he shall make such disclaimer in writing in a conspicuous manner;
- (7) fail to honor his expressed warranty agreement or any warranties implied by law;
- (8) misrepresent warranty coverage, application period, any warranty transfer costs to the customer or conditions which are given by the dealer, factory or other party;
- (9) obtain signatures from customers on contracts which are not fully completed at the time signed, or which do not reflect accurately the negotiations and agreement between the customer and the dealer;
- (10) require or accept a deposit from a prospective customer prior to entering into a mutually binding valid contract for the purchase and sale of a motor vehicle unless the customer is given a written receipt which states how long the dealer will hold the motor vehicle from other sale, the amount

of the deposit, and clearly and conspicuously states whether the deposit is refundable or nonrefundable and upon what conditions;

- (11) add to the cash price of the motor vehicle a fee for routine handling of documents and forms essential to the transfer or ownership to customers, or a fee for any other ordinary and customary business overhead expense (otherwise known as a "documentary fee") unless that fee is fully disclosed to customers in all mutually binding valid contracts concerning the motor vehicle's selling price;
- (12) alter or change the odometer mileage of the motor vehicle;
- (13) fail to disclose to any customers the actual year model of the motor vehicle;
- (14) fail to transfer title to a vehicle as soon as is reasonably possible after sale of the vehicle to a customer;
- (15) fail to disclose to a customer, in writing, at or prior to the time of sale, that taxes, if any, are due and owing on the vehicle to be sold; or
- (16) engage in any unfair or deceptive acts or practices.

Authorizing statute(s): 30-14-104, MCA

Implementing statute(s): 30-14-104, MCA

History: Eff. 2/5/76; TRANS, from Commerce, 2001 MAR p. 1176; TRANS, from Administration, 2006 MAR p. 322, Eff. 2/10/06.