Nevada's "Lemon Law" protects buyers who purchase defective motor vehicles.

DEFINITION OF "BUYER"

Nevada Revised Statutes 597.600 to 597.680, inclusive, (the "Lemon Law") provides recourse to a buyer of a new motor vehicle, except a motor home or off-road vehicle, which does not conform to all of the manufacturer's applicable express warranties. "Buyers" include persons who purchase, or contract to purchase, a motor vehicle normally used for personal, family or household purposes, persons to whom the motor vehicle under a manufacturer's express warranty is transferred, and persons entitled by the terms of the warranty to enforce its provisions.

RECOUSE

If a buyer reports the nonconformity in writing to the manufacturer before the expiration of the manufacturer's express warranties or no later that one year after the date the motor vehicle is delivered to the original buyer, whichever occurs earlier, the manufacturer, its agent or its authorized dealer is required to make the necessary repairs to conform the vehicle to the express warranties. These repairs must be made even if the express warranty has expired or one year has passed since the original buyer received the vehicle.

REPLACE/REFUND

The manufacturer of the vehicle, its agent or its authorized dealer must replace the motor vehicle or refund the purchase price if the defect is not remedied in four attempts or if the total repair time exceeds 30 days and the defect "substantially impairs the use and value of the motor vehicle to the buyer" and the defect "is not the result of abuse, neglect or unauthorized modifications or alterations." If the manufacturer elects to replace the motor vehicle, it must be replaced with a comparable motor vehicle of the same model and having the same features as the replaced vehicle. However, if such a vehicle cannot be delivered to the buyer within a reasonable time, then the motor vehicle must be replaced with a comparable motor vehicle substantially similar to the replaced motor vehicle. If the manufacturer accepts the return of the motor vehicle from the buyer, the buyer is entitled to a refund of the full purchase price, including all sales taxes, license fees, registration fees and other similar governmental charges, less a reasonable allowance for the buyer's use of the vehicle. A reasonable allowance for use is the amount of use of the vehicle by the buyer before he reported the nonconformity to the manufacturer and during any subsequent period when the vehicle is not out of service for repairs.

ACTION

An action brought pursuant to these provisions must be commenced within 18 months after the date of the original delivery of the motor vehicle to the buyer. If, however, the manufacturer has a procedure for settling disputes informally which complies with Title 16 of the Code of Federal Regulations, Part 703, (the "Magnusom-Moss Warranty Act") a buyer must first submit his claim for replacement of the motor vehicle or a refund of the purchase price under that procedure before bringing an action under the Nevada Lemon Law. These provisions also do not limit any other right or remedy which the buyer has by
law or by agreement. Any agreement between the manufacturer or its agent or its authorized dealer and the buyer which attempts to waive the buyers' rights under the Lemon Law is prohibited.