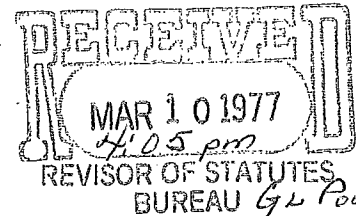


STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION

SS.



TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, James O. Peterson, Administrator of the Division of Motor Vehicles of the Wisconsin Department of Transportation, and legal custodian of the official records of said Division, do hereby certify that the annexed, attached changes to Chapters MVD 13, entitled "Dealer Facilities and Records," marked "Exhibit A" ; and, MVD 24, entitled "Motor Vehicle Trade Practices," marked "Exhibit B" , have been duly approved and adopted by me as Administrator of said Division this 8th day of March, 1977.

I further certify that these newly-adopted rules attached to my Order as "Exhibit A" and "Exhibit B" which are being filed with the offices of the Revisor of Statutes and Secretary of State, respectively, have been compared by me with the originals on file in this Division, and that each respective copy, including "Exhibit A" and "Exhibit B", is a true and correct copy of the original Order and attached Exhibits on file with this Division.

IN TESTIMONY WHEREOF, I have hereunto
set my hand and affixed the official
seal of the Department of Transportation at the Hill Farms State Office
Building in the city of Madison,
Wisconsin, this 8th day of March 1977.

James O. Peterson

Administrator
Division of Motor Vehicles
Wisconsin Department of Transportation

BEFORE THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF WISCONSIN
DIVISION OF MOTOR VEHICLES

IN THE MATTER OF AMENDING, CREATING, REPEALING AND RECREATING CHAPTERS MVD 13 OF THE WISCONSIN ADMINISTRATIVE CODE, RELATING TO DEALER FACILITIES AND RECORDS; and MVD 24 OF THE WISCONSIN ADMINISTRATIVE CODE, RELATING TO MOTOR VEHICLE TRADE PRACTICES

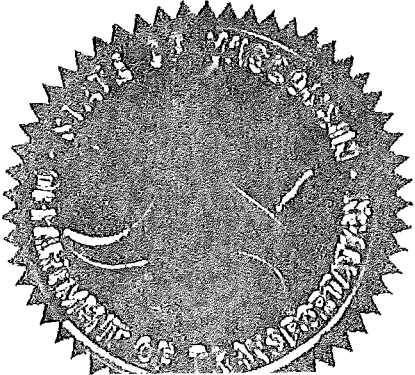
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ORDER ADOPTING RULES

Pursuant to authority vested in the Administrator of the Division of Motor Vehicles of the Wisconsin Department of Transportation under Sections 110.06, and 218.01 (5)(a) and (c), Wis. Stats., and in accordance with Chapter 227, Wis. Stats., and after due notice and public hearing held on the 26th day of January, 1976, and subsequent additional meetings; and, after due consideration to the objections and suggestions of those persons attending such public hearing and meetings,

IT IS HEREBY ORDERED, That Chapters MVD 13 and MVD 24 of the Wisconsin Administrative Code, are hereby amended, created, repealed and recreated as made and provided in "Exhibit A" and "Exhibit B" attached hereto, adopted hereby, and made a part of this Order by reference.

Dated at Madison, Wisconsin, this 8th day of March, 1977.


James O. Peterson
Administrator
Division of Motor Vehicles
Wisconsin Department of Transportation

SECTION 1. MVD 13 (title and index) of the administrative code is amended to read:

Chapter MVD 13

MOTOR-VEHICLE-DEALERS
DEALER FACILITIES AND RECORDS

MVD 13.01 Display area
MVD 13.02 Records kept

MVD 13.03 Business-sign Auction dealers
MVD 13.04 Business sign

SECTION 2. MVD 13.01 (title) and (1) of the administrative code is amended to read:

MVD 13.01 (title) Display lot and display area. (1) The " * * facilities to display automobiles and motorcycles * *" as required under section 218.01(3) (bf), Wis. stats., shall be accessible facilities set aside and maintained at all times for the sole purpose of displaying vehicles automobiles and motorcycles offered for sale, which shall consist of a minimum indoor area of not less than 12 feet by 20 feet: for automobiles. Motorcycle dealers, not also engaged in the business of selling automobiles, shall provide an indoor display area of sufficient size to accommodate at least 3 units.

SECTION 3. MVD 13.01(2) of the administrative code is repealed and recreated to read:

MVD 13.01(2) Each motor vehicle dealer, mobile home dealer and motor vehicle wholesaler shall provide a vehicle display lot adjacent to the business office. Such display lot is not required of a mobile home dealer, if also a licensed realtor and involved in mobile home sales solely as a result of real estate transactions and such mobile homes are offered for sale on-site.

SECTION 4. MVD 13.01(3) of the administrative code is repealed.

SECTION 5. MVD 13.02 of the administrative code is repealed and recreated to read:

MVD 13.02 Records kept. The minimum of books and records required to be kept and maintained at the licensed business premises by licensed Wisconsin motor vehicle and mobile home dealers and used motor vehicle wholesalers under sections 218.01(3)(bf) and (d), 218.11 (7)(c) and 342.16 (2), Wis. stats., and other relevant statutes and departmental orders shall consist of the following:

(1) Motor vehicle dealers

- (a) Titles or other evidence of ownership for each used vehicle owned and offered for sale and MSO for each new vehicle owned and offered for sale.
- (b) Written consignment agreement between owner and dealer for each vehicle owned by an individual and offered for sale by such dealer.
- (c) Vehicle general condition disclosure statements, as required by
- (d) Odometer statement from prior owner and odometer statement to sec. MVD 24.03(5)
subsequent purchaser, as required by sec MVD 24.03(7)
- (e) Original or copy of motor vehicle purchase contracts as required by sec. MVD 24.04
purchase orders, invoices and sales tax statements.
- (f) Records of every used vehicle bought, sold, exchanged, or consigned shall be kept in a permanently bound (case or perfect bound) book of not less than 8 1/2" X 11" in size, containing consecutively numbered pages with horizontal line ruling. Initial purchase entries shall be made immediately as each vehicle is acquired and sales information entered on same line at subsequent time of sale. Vertical dividing lines shall be provided, and may be manually drawn, to divide the following information as shown:

Date Acquired	Acquired From Name &Address	Year Make-ID	Date Sold or Disposed of	Disposed of or Sold to Name & Address
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(g) Such used vehicle record book shall be maintained for 5 years and all other required records shall be maintained for a period of 3 years from the date of sale. Such records shall be kept in the place of business during business hours, and shall be open to inspection by a representative of the division during reasonable business hours.

(2) Mobile home dealers, items included in sub. (1) (a), (b), (e), (f) and (g).

(3) Motor vehicle wholesalers (used vehicles), items included in sub. (1) (a), (d), (e), (f) and (g)

SECTION 6. MVD 13.03 of the administrative code is renumbered MVD 13.04

and amended to read:

MVD 13.04 Business sign. All motor vehicle and mobile home dealers, motor vehicle wholesalers and motor vehicle wholesaler auction dealers shall ~~comply with~~ provide an exterior business sign in compliance with sec. 100.18(5) Wis. stats.

SECTION 7. MVD 13.03 of the administrative code is created to read:

MVD 13.03 Auction Dealers. Motor vehicle wholesale auction dealers shall:

(1) For each vehicle offered for sale, either require the consigning dealer to deposit clear title or furnish title insurance at time of sale.

(2) Retain a copy of a properly completed, signed dealer reassignment form for each vehicle sold, and furnish two copies to the purchasing dealer and 1 copy to the selling dealer.

(3) For each auction sale, maintain a complete listing of each vehicle offered for sale, which listing shall include:

1. date of sale
2. consigning dealer
3. vehicle year, make and ID number
4. purchasing dealer.

(4) Rescind the vehicle sale transaction if unable to furnish clear title to the purchasing dealer within 12 calendar days following date of sale, if so requested by the purchasing dealer.

Motor Vehicle Trade Practices

SECTION 1. MVD 24.01(2) and (6) of the administrative code is amended to read:

MVD 24.01(2) "Used" means any motor vehicle other than a new motor vehicle ~~which has been previously privately titled~~ and includes executive or demonstrator.

(6) "Privately owned and privately driven" means all privately owned, non-lease motor vehicles.

SECTION 2. MVD 24.02(2)(a) of the administrative code is amended to read:

MVD 24.02(2)(a) Terms such as "largest" when referring to dealership size shall be based solely on vehicle sales volume and must clearly state the basis for the claim, including time, unit, geographical area and other considerations vehicle make, time period if other than entire prior 12 months and geographic area if other than statewide, in the advertisement.

SECTION 3. MVD 24.02(2)(b), (3)(a) and (8) of the administrative code are repealed.

SECTION 4. MVD 24.02(9) and (10) of the administrative code are renumbered MVD 24.02 (8) and (9).

SECTION 5. MVD 24.02(11) and (15) of the administrative code are renumbered MVD 24.02 (10) and (14) and amended to read:

MVD 24.02(10) It is an unfair practice for a licensee to advertise motor vehicles or types of motor vehicles for sale unless the licensee has available, for delivery within a reasonable time, a quantity of said vehicles sufficient to meet reasonably anticipated demands, unless the advertisement clearly and specifically discloses any limitations as to the quantity available or time of delivery. ~~Any such advertisement shall also specifically disclose the expiration terms of the promotion or sale,~~

(14) Whenever a sale or promotion offering free gifts, merchandise, equipment, accessories, service, discounts, price reductions, or cash is advertised, any such advertisement shall also specifically disclose the expiration terms or date of such sale or promotion.

SECTION 6. MVD 24.02(12), (13), (14), (16) and (17) of the administrative code are renumbered MVD 24.02(11), (12), (13), (15) and (16).

SECTION 7. MVD 24.03(4), (4)(f) and (5)(a) of the administrative code are amended to read:

MVD 24.03(4) Except as provided in par. (g) each used motor vehicle displayed or offered for sale by a dealer licensee shall have attached to the vehicle in a conspicuous place, a writing (window sticker) clearly informing the buyer prior to sale, in simple and concise language:

(4)(f) That the condition of the vehicle for sale is such that it cannot be legally operated at all times on Wisconsin highways, if such is a fact.
The language shall state:

"WARNING!

This vehicle may not be operated or licensed and must be towed or hauled from this location if purchased in its present condition. If all defects which prohibit its legal operation are not corrected prior to your accepting delivery of the vehicle, it must be inspected and approved by a qualified certified law enforcement officer before it can be licensed and operated on Wisconsin highways. Such inspection certification and the title must be submitted by the owner to the division together with proper registration fee."

(5)(a) Disclosure of information required on the prescribed form is limited to that which the licensee could ascertain as a result of reasonable diligence, which shall consist of but is not limited to an inspection of all used motor vehicles, in the manner and on the form prescribed by the division. Such inspection shall consist of but is not limited to a walk-around and interior inspection, under-hood inspection, under-vehicle inspection and a test-drive.

Such form, disclosing existing defects and damage shall be completed in duplicate, the original of which shall be retained by the dealer for 3 years and a copy of which shall be reviewed with and furnished to the purchaser prior to execution of the vehicle purchase contract, whether or not there are existing significant defects or damage. ~~Samples-of-the-inspection-form-required-by-this-subsection shall-be-made-available-to-dealer-licensees-within-2-months-following-adoption of-this-subsection.--This-subsection-shall-become-effective-4-months-after-its publication-in-the-Wisconsin-Administrative-Register-~~

SECTION 8. MVD 24.03(5)(b) of the administrative code is renumbered MVD 24.03(5)(c).

SECTION 9. MVD 24.03(5)(b) of the administrative code is created to read:

MVD 24.03(5)(b) An inspection shall be made and findings disclosed on the inspection form prior to affixing the window sticker to the vehicle and displaying the vehicle for sale as required by sub. (4) and the inspection form shall be retained by the dealer for review with the purchaser prior to contract execution.

SECTION 10. MVD 24.03(6)(a)1. of the administrative code is amended to read:

MVD 24.03(6)(a)1. Disclose that fact to all retail purchasers in conspicuous contrasting bold faced type on the face of the vehicle purchase contract prior to its execution in the following language:

"WARNING!

This vehicle may not be operated or licensed and must be towed or hauled from this location if purchased in its present condition. If all defects which prohibit its legal operation are not corrected prior to your accepting delivery of the vehicle, it must be inspected and approved by a qualified certified law enforcement officer before it can be licensed and operated on Wisconsin highways. Such inspection certification and the title must be submitted by the owner to the division together with proper registration fee." and

SECTION 11. MVD 24.03(6)(c) of the administrative code is renumbered MVD 24.03(6)(d) and amended to read:

MVD 24.03(6)(d) If the general condition of a vehicle is such that it is considered by the dealer licensee to be a junk vehicle, at time of sale, the purchase contract shall state "Sold as junk vehicle" and the dealer licensee shall so notate the title and forward same to the division. Such purchaser shall be advised that such vehicle may subsequently be re-titled and operated only after it has been inspected and approved by a ~~qualified~~ certified law enforcement officer, the statutory \$25 inspection fee paid and such certification and inspection fee is submitted to the division together with title and registration application and appropriate fee.

SECTION 12. MVD 24.03(6)(c) of the administrative code is created to read:

MVD 24.03(6)(c) Prior to issuance of registration plates, the final vehicle equipment inspection referred to in par. (a) and (b) may be made by a certified law enforcement officer or an employee of Division of Motor Vehicles, appointed as an authorized agent by the Administrator.

SECTION 13. MVD 24.03(7) of the administrative code is renumbered MVD 24.03(8):

SECTION 14. MVD 24.03(7) of the administrative code is created to read:

MVD 24.03(7) Use of previously distributed forms. Warning statements required to be included on the window sticker or in a vehicle purchase contract under this section which were printed and distributed to dealers prior to the effective date of this rule 5-1-77 and which conform to all requirements of this chapter in effect prior to that date may be used until the supply is exhausted. All such forms printed and distributed after the effective date of this rule shall comply with the provision of this chapter.

SECTION 15. MVD 24.04(7) of the administrative code is amended to read:

MVD 24.04(7) On any new, demonstrator, or executive vehicle, any uncorrected damage or any corrected damage exceeding 6% of the manufacturer's suggested

retail price, as measured by retail repair costs, must be disclosed in writing prior to delivery. Damage to glass, tires, and bumpers are excluded from the 6% rule when replaced by identical manufacturer's original equipment.

SECTION 16 MVD 24.04(8) of the administrative code is repealed.

SECTION 17. MVD 24.04(9) of the administrative code is renumbered MVD 24.04(8) and amended to read:

MVD 24.04(8) A dealer licensee shall not assess a an additional service fee or charge for completing and processing normal registration and title applications, any sales-related vehicle inspections or forms which are required by law or rule.

SECTION 18. MVD 24.04(9) of the administrative code is created to read:

MVD 24.04(9) The use of a motor vehicle purchase contract which requires the purchaser to waive any claims the purchaser may have for breach of contract by the licensee is an unfair practice and prohibited.

SECTION 19. MVD 24.05(3) of the administrative code is amended to read:

MVD 24.05(3) No implied warranty of merchantability or fitness shall be excluded or modified in the sale of a motor vehicle unless the sale is explicit negotiated between the buyer and dealer licensee on an "as-is" or "with all faults" basis and is in conformity with sections MVD 24.03(4) ~~(d)~~ (e) and 24.04(3)(h) of this code.