Motor Vehicle Administration
6601 Ritchie Highway N.E.
Glen Burnie, MD 21062

# Bulletin

**D-06-12-06**

**DATE:** **June 21, 2012**

**BULLETIN TO:** **All Dealers**

**FROM:** **Brenda Scheydt, Manager**
**Business Licensing and Consumer Services**

**RE:** **How Required Vehicle Disclosures Can Be Made**

Dealers have requested clarification of written advice provided to the Administrator from MVA counsel as to required disclosures. (Letter dated April 11, 2011 from Assistant Attorney General Jonathan Acton, II, Principal Counsel, to John Kuo, Administrator, stating the controlling document, for purposes of an arbitration clause, is a retail installment sales contract "RISC").

Specifically dealers have asked for guidance on what disclosures should be made and in what document. Advice in the April 11th letter relates specifically to the issue of whether an arbitration clause in a RISC supersedes language in a vehicle sales contract. It concludes that federal case law holds that an arbitration clause must be in the RISC to be enforceable.

The advice in the April 11th letter does not control or limit which document must contain relevant vehicle disclosures. The MVA still requires that "meaningful, conspicuous disclosures in writing of relevant vehicle information," are made to the consumer by the selling dealer in connection with the buyer's order. The MVA does not limit which document must contain the required disclosures. Best practices are to provide disclosures in a writing that is attached to the sales order and may be attached to the RISC if there is one.

The MVA is currently working to update the regulations on what type of vehicle history information must be disclosed. Draft regulation changes on this issue will be forthcoming shortly.