

### **Air Bag Disclosure By ADR Staff**

Even though there is no law requiring that stolen or deployed air bags be replaced and the National Highway Traffic and Safety Administration (NHTSA) is only concerned about operational air bags in NEW motor vehicles, the Used Motor Vehicle and Parts Commission (UMV&PC) does require the dealer to disclose if the airbags have been deployed and are not replaced or are inoperable in the following scenarios:

1. If you purchase a vehicle with the knowledge that the airbags are deployed and you choose not to replace them; or,
2. If while you own the vehicle, you discover that the airbags are inoperable and do not repair them.

They remind you that if you have first hand knowledge regarding inoperable airbags and do not disclose that fact to the consumer in writing before the purchase, you may be required to repurchase the vehicle. Even worse, a dealer's liability exposure for both personal injury and property damage can be enormous if a customer wasn't informed that the air bags were inoperable and then the worst happens.

It often is not easy to discern when an air bag is missing or inoperable. However, original covers are generally marked with a name or logo whereas most replacement covers for cosmetic purposes will be blank. At any rate, we recommend that a dealer visit that issue with his customer and if the air bag is not operational or is missing, then get the customer to sign off on that fact.

One way that a dealer might learn about a missing or deployed airbag or other hidden defect is through the use of a Trade-In Vehicle Appraisal form that has questions which are asked of the vehicle owner at the time of appraisal. A customer may not "remember" to disclose such defects unless he is asked a direct question about them. However, it seems that most people, when asked a direct question, will respond truthfully.

That's one of the many values of the Trade-In Vehicle Appraisal form that is a part of the Finance Express (FEX) forms offering. They are readily available from OIADA for immediate shipment. Just call toll free: 1-800-346-4232 or 405 232-2947 in the OKC area. The fax number is 877-804-3449.