



McDaniels Limited 60-Day / 3,000 Mile Warranty

This Warranty is considered part of the contract of purchase for a vehicle. Therefore. It is subject to McDaniels' Binding Arbitration clause as outlined on the Purchase Agreement:

ANY DISPUTE OR DISAGREEMENT THAT MAY ARISE BETWEEN THE PARTIES IN ANY WAY CONNECTED TO OR ARISING FROM THE SALE OF THE VEHICLE(S) SHALL BE SUBMITTED TO BINDING ARBITRATION PURSUANT TO THE UNIFORM ARBITRATION ACT OF SOUTH CAROLINA (S.C. CODE § 15-48 ET. SEQ.) AND THE FEDERAL ARBITRATION ACT (9 U.S.C.A. § 1 ET. SEQ.) THROUGH RESOLUTE SYSTEM, INC. AND USING ITS COMMERCIAL ARBITRATION RULES.

THIS AGREEMENT WILL BE GOVERNED UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA. ALL WARRANTIES INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE DISCLAIMED EXCEPT FOR THOSE WARRANTIES AND TIMEFRAMES OUTLINED BELOW.

Detailed Arbitration Rules are available for customers' inspection or from Resolute Systems, Inc.

McDaniels' Pre-Owned Inspection ensures that your used vehicle will be in great condition when you buy it. To back that up, we provide you with a Limited 60-Day / 3,000 Mile Warranty. **This Limited Warranty applies only to select used vehicles!**

Limited Warranty Coverage

This Limited Warranty is mechanical breakdown coverage. If any of the parts identified below (the "Covered Parts") breakdown, then for a period of 60 days from the date the Vehicle was purchased or 3,000 from the odometer reading reflected on your purchase documents, whichever occurs first (the "Warranty Period"), McDaniels will at no charge repair or replace any such part(s). McDaniels, may, however, at its sole discretion, elect to accept return of the Vehicle and provide Customer with a refund for the cost of vehicle, less any deduction for damage done to the vehicle not directly related to a warranty failure, less any missing equipment present at time of sale and less a reasonable amount for any wear and tear on the vehicle. Mechanical breakdown coverage applies to the Covered Parts listed in the next section plus related labor, but certain exclusions apply (see Exclusions From Coverage section below).

The Customer must notify McDaniels of the failure of a Covered Part within the Warranty Period. Repairs will be made with parts of like kind and quality. It is expressly understood that replacement parts and/or components need not be new, but may be used or rebuilt, which will be guaranteed serviceable. A "breakdown" or "mechanical breakdown" means the failure of any original or like replacement part covered by this Limited Warranty to work as it was designed to work in normal service. However,

reduced operation or reduced performance due to normal wear and tear shall not be considered a breakdown within the meaning of this Limited Warranty. This Limited Warranty does not constitute a written affirmation of fact or promise by McDaniels that the material or workmanship of the vehicle, or any parts thereof, are free of any defects or will meet a specified level of performance over a specified period of time.

This is the only express warranty made by McDaniels.

ANY AND ALL IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED TO THE DURATION OF THIS WRITTEN LIMITED WARRANTY.

No other warranty of any kind is made unless expressly provided herein. To the extent allowed by applicable law, McDaniels shall not be liable for any damages relating to loss of use of the products, loss of time, inconvenience or commercial loss, or any other incidental or consequential damages. All warranties are extended only to the original customer. THIS WARRANTY WILL BE APPLIED AND INTERPRETED UNDER THE LAWS OF SOUTH CAROLINA. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS WHICH VARY FROM STATE TO STATE. Prior written or oral statements, negotiations, communications or representations regarding warranties have been merged into or superceded by this warranty writing, and if not included in this warranty writing, they shall not be binding. This is the total agreement about any and all warranties relating to the product warranted hereunder. This Limited Warranty Document is a part of the Purchase Agreement, and as such is supplemented by the Buyer's Guide.

Parts Covered

This Limited Warranty is between McDaniels and Customer, and applies only to a used vehicle purchased from McDaniels. This Limited Warranty covers the parts described as follows:

Engine

- Gasoline Engine: Cylinder block, and all internal lubricated parts including: crankshaft, rod and main bearings, cam bearings, expansion (freeze) plugs, connecting rods, wrist pins, pistons, piston rings, camshaft, cam tower, lifters, cylinder head, valves and guides, valve springs, rocker arms (cam followers), pushrods, intake and exhaust manifolds, exhaust manifold cover, flywheel, balance shafts, harmonic balancer and retainer bolt, crankshaft pulley, valve covers, idle speed control, fuel pressure regulator, oil pan, oil pump and pressure relief valve, oil cooler, air cleaner assembly, engine oil cooler hoses, oil filter adapter/housing, engine oil sending unit, motor mounts, water pump, sparkplugs, ignition wires, distributor cap and rotor, carburetor, dipstick and tube, and fasteners for the components listed above.
- Turbocharged/Supercharged/Rotary/Diesel/Enhanced Engines: The items under

'Gasoline Engine' are covered, but no additional warranties are placed on the turbocharger, supercharger or diesel components.

Transmission

- Automatic: Case and all internal lubricated parts including: oil pump, valve body, torque converter, vacuum modulator, governor, main shaft, clutches, bands, drums, gear sets, bearings, bushings, sealing rings, TV cable, solenoids and electronic shift control unit, transmission front cover, transmission mounts, cooler, cooler hoses and hard lines, automatic transmission control unit, range select lever, dipstick and tube, and fasteners for the components listed above.
- Standard: Case and all internal lubricated parts including: main shaft, gear sets, shift forks, synchronizers, friction clutch disc, pressure plate, clutch throw-out bearings, bearings, bushings, fasteners for the components listed above.
- Transfer Case - (4X4 vehicles): Case and all internal lubricated parts including: main shaft, gear sets, chain and sprockets, bearings, bushings, mounts, transfer relay, interlock control unit, fasteners for the components listed above, electronic and vacuum engagement components.

Front Wheel Drive: Final drive housing and all internal parts including: carrier case, gear sets, chain and sprockets, bearings, bushings, axle shafts, constant velocity joints and boots, universal joints, front hub bearings, locking hub assemblies (4X4), drive shaft support, rear axle hub bearings, fasteners for the components listed above.

Rear Wheel Drive: Drive axle housing and all internal lubricated parts including: carrier case, gear sets, bearings, bushings, limited slip clutch pack, axle shafts, axle hub bearings, propeller shafts, universal joints, drive shaft support, front axle hub bearings, rear cover 4WD, select switch, rear cover, differential case, control lever boot and socket, fasteners for the components listed above.

Steering: No Coverage

Suspension: No Coverage

Additional Systems Including Parts Not Specifically Identified Above: No Coverage.

Exclusions From Coverage

This Limited Warranty does not cover or apply to:

1. Damage or breakdown caused by collision, fire, theft, vandalism, riot, explosion, or natural disaster.
2. Damage or breakdown due to vehicle/component abuse, misuse, or alteration.
3. Breakdown of aftermarket accessories or non-original equipment, components and systems not installed by the manufacturer (examples include: anti-theft systems, radio/speaker equipment, telephones, cruise control and sunroof).

4. Reduced operation/performance due to normal wear and tear of Covered Parts, including, but not limited to, valve grind(s) and/or piston ring replacement(s) designed to improve engine compression or reduce oil consumption.

5. Vehicles with a modified or inoperative odometer.

6. Preventative maintenance services or parts replacement as suggested by the manufacturer in its maintenance schedule.

7. Subsequent owners of the vehicle. This warranty only applies to the entity or entities that purchased the vehicle and began this warranty from McDaniels. Should the party sell or otherwise transfer ownership of the vehicle during the warranty period, warranty coverage will cease and all implied warranties are disclaimed from that point forward.

McDaniels will not repair or replace any part or item, whether or not it is a Covered Part, unless it is required in conjunction with the repair or replacement of a Covered Part being serviced under this Limited Warranty. In the event a manufacturer's warranty or an extended service plan applies to a Covered Part, coverage under the warranty or plan shall be exhausted prior to being covered by this Limited Warranty.

Claim Procedure

In the event of a mechanical breakdown, Customer must follow these instructions:

A. Unless prior authorization is given, repair or replacement of Covered Parts must be performed at a McDaniels' store.

B. If a breakdown occurs within the Warranty Period and Customer is not within a reasonable distance from McDaniels, Customer must contact McDaniels immediately for the name and location of the nearest authorized repair facility, or for further instructions. All Warranty requests must be within the continental United States without prior approval. A prior authorization number will be assigned, or McDaniels may choose to have the vehicle towed to location of its choosing. This authorization number is necessary to obtain reimbursement of payment of authorized repairs performed to the vehicle. Failure to obtain an authorization number may result in claim rejection. For Warranty information or authorizations, Customer may write or call McDaniels. Client should consult the Purchase Agreement for contact information

C. Noncompliance with the above requirements will invalidate your ability to submit a claim for repair or replacement or to obtain any other remedy under this Warranty.

D. McDaniels reserves the right to inspect any vehicle prior to authorization.

E. It shall be your sole responsibility for repairs to be made to Customer's satisfaction, in accordance with the provisions of this Warranty.

F. Client understands they may be responsible for charges for diagnostics or repairs performed on failures that are not covered under this Warranty.

Miscellaneous

A. In the event McDaniels elects to accept return of the vehicle, Customer will receive a refund of the purchase price paid less any Use Fee and other costs such as taxes and registration described in the Purchase Agreement, and the cost of repairing the vehicle for any damage or other injury unrelated to the breakdown of a Covered Part covered by this Limited Warranty.

B. In the event McDaniels elects to accept return of the vehicle, if a vehicle was sold to McDaniels as a trade-in in connection with Customer's purchase of the vehicle, Customer agrees to receive the value of the trade-in equity in cash or a cash equivalent, except as prohibited by applicable law.