

LKQ LIMITED WARRANTY FOR REMANUFACTURED TRANSFER CASES

LKQ Corporation and its subsidiaries distributes a broad range of new, recycled, remanufactured and reconditioned automotive and truck replacement products through its company owned and operated locations. Our remanufactured transfer case line includes units for automobile, light and medium duty trucks.

WHAT IS COVERED

LKQ warrants its parts to be free of defects in materials and workmanship for the warranty period indicated from the date of installation PROVIDED the part was (and can be documented) installed by a Licensed Automotive Repair Facility. No-Fault warranty enhancements must be purchased at the time of sale and appear on LKQ's invoice along with the part under warranty consideration.

Product Type	STANDARD Warranty Terms	No Fault warranty protection "NFWP"	No fault warranty GOLD "NFWG"
Transfer cases installed in non-fleet or non-commercial Automobiles and Light Duty Trucks	3 years, unlimited mileage, \$50 per hour Mitchell labor reimbursement rate - labor paid only on approved claims after factory inspection. First time replacement is FREE.	3 years, unlimited mileage PLUS \$50 per hour Mitchell labor reimbursement rate – paid regardless of reason for failure on first time replacement. First time replacement is FREE.	3 years, unlimited mileage PLUS labor paid at posted or advertised shop rate - up to \$95 per hour, \$100 towing allowance, \$150 Car rental allowance, and \$25 fluid allowance - regardless of reason for failure on first time replacement. First time replacement is FREE.
Transfer case installed in Medium/Heavy Duty Trucks (Vehicles exceeding 11,000 G.V.W.)	18 months or 100,000 miles, \$50 per hour Mitchell labor reimbursement rate - labor paid only on approved claims after factory inspection. First time replacement is FREE.	18 months or 100,000 miles PLUS \$50 per hour Mitchell labor reimbursement rate –paid regardless of reason for failure on first time replacement. First time replacement is FREE.	18 months or 100,000 miles PLUS labor paid at posted or advertised shop rate - up to \$95 per hour, \$100 towing allowance, \$150 Car rental allowance, and \$25 fluid allowance - regardless of reason for failure on first time replacement. First time replacement is FREE.
Transfer cases installed in Commercial or Fleet Automobiles and Light Trucks	18 months or 100,000 miles, \$50 per hour Mitchell labor reimbursement rate - labor paid only on approved claims after factory inspection. First time replacement is FREE.	18 months or 100,000 miles PLUS \$50 per hour Mitchell labor reimbursement rate –paid regardless of reason for failure on first time replacement. First time replacement is FREE.	18 months or 100,000 miles PLUS labor paid at posted or advertised shop rate - up to \$95 per hour, \$100 towing allowance, \$150 Car rental allowance, and \$25 fluid allowance - regardless of reason for failure on first time replacement. First time replacement is FREE.

Notwithstanding any other provision of this warranty, LKQ's sole and exclusive obligation under this warranty is limited to, at LKQ's option, replacement, repair or refund of the purchase price. Transportation charges for LKQ testing on product submitted for repair or replacement under this warranty will be covered by LKQ. In the event that it is determined that the part must be replaced, the original part must be returned to LKQ to for any warranty labor consideration and reimbursement.

While warranty registration is not necessary to obtain warranty coverage on LKQ Products, it is strongly suggested. If you do not register your product you must save your proof of purchase receipt. If you're not able to provide

proof of the initial purchase date at the time of warranty service, the manufacturing date of the product will be used to determine the warranty period.

MAKING A CLAIM

Warranty service is available through any Licensed Automotive Repair Facility.

To make a claim, you must provide proof of purchase from LKQ or from the business which installed the part. LKQ at its option will repair, replace a product or refund the purchase price once it determines that the product requires repair or replacement. For a product to be determined defective it must be sent to LKQ's remanufacturing plant for inspection. LKQ remanufacturing will schedule the pickup of the product or parts in question and pay for transportation. Any products that are not returned to LKQ remanufacturing to undergo inspection will not be covered by this warranty. All repairs and/or replacements to the products must first be authorized by LKQ Remanufacturing. LKQ will not pay for any unauthorized repairs. Incidental damage caused by the requested repair or by the removal of the product is not covered by the warranty.

Products sent to LKQ Remanufacturing for inspection that are deemed not covered under standard warranty will be held in storage for a period of 15 days. Product unclaimed after 15 days will be disposed of by LKQ. LKQ will immediately dispose of any product for which there is an approved claim.

Any Licensed Automotive Repair Facility (LARF) may perform warranty repairs. Most warranty repairs are handled routinely, but sometimes requests for warranty service may not be appropriate. If a customer differs with the decision of the LKQ Warranty Technician and/or the LARF, an investigation will be made to determine whether the warranty applies. Ask the LARF to submit all supporting facts to LKQ for review. If LKQ decides that the claim is justified, the customer will be fully reimbursed for those product items that are defective. To avoid misunderstanding which might occur between the customer and LKQ/LARF, listed below are some of the causes of transfer case failure that the standard warranty does not cover.

WHAT IS NOT COVERED

Normal Wear: Our products, like all mechanical devices, need periodic parts service and replacement to perform correctly. LKQ standard warranty would not apply if damage to the product has occurred because of misuse, lack of routine maintenance, shipping, handling, warehousing or improper installation. Similarly, warranty is void if the serial number of the product has been removed or the product has been altered or modified with aftermarket performance enhancing parts.

Improper Maintenance: The life of a mechanical device depends upon the conditions under which it operates, and the care it receives. Wear, when caused by dirt, debris or other abrasive material that has entered the transfer case because of improper maintenance, is not covered by LKQ standard warranty.

Nor does the standard warranty extend to repairs required because of:

- 1. Problems caused by parts that are not LKQ parts including but not limited to parts outside of the Transfer case.
- 2. Damage as a result of overheating , lack of lubrication, or contamination.
- 3. Repair or replacement required as a result of any accident or misuse.
- 4. Improper installation and or failure to follow included installation instructions and/or failure to re-flash ECM, PCM as required.

- 5. Repair or replacement of any accessory or service item, including specifically but not limited to: all components of the cooling, fuel, electrical, exhaust and ignition systems in addition to all belts, hoses, bolts, shafts, sensors, switches and filters.
- 6. Any product used for competition, racing or related purposes.
- 7. Any product to which a device or accessory not conforming to original manufacturer's specifications has been installed.
- 8. Improperly maintained coolant, and/or any product on which periodic maintenance services required by the original manufacturer have not been performed.
- 9. Damage resulting from improper repair(s) or attempted repair(s) by any service technician.
- 10. Products used in manner that violates the terms of the LKQ Owner's Manual, the installation and the OEM owner's manual, or is used for purposes other than their original intended use.

NO LKQ warranty shall apply to products used in competitive racing or on commercial or rental race tracks. LKQ products are not warranted if used in an application for which they were not engineered e.g., stationary power units, off road or high rail applications

Labor Payments

<u>Standard warranty</u>: Authorized repairs on approved claims (after factory inspection of returned parts) will be reimbursed at a rate not to exceed the Mitchell Repair Manual published applicable flat rate schedule. Hourly rates for all authorized repairs will be paid in accordance with rate paid for the original installation but not to exceed \$50.00 an hour or the total cost of the original part in total. Do-it yourself repairs, repairs performed by unlicensed repair facilities, or repairs made to units not originally installed in a LARF will not be reimbursed.

No-Fault Warranty Protection: Authorized repairs on claims will be reimbursed at a rate not to exceed the Mitchell Repair Manual published applicable flat rate schedule. Hourly rates for all authorized repairs will be paid in accordance with rate paid for the original installation but not to exceed \$50.00 an hour. Do-it yourself repairs, repairs performed by unlicensed repair facilities, or repairs made to units not originally installed in a LARF will not be reimbursed. Labor guarantee under terms of No-Fault Warranty Protection is limited to the first time failure of the product and in no case will the total labor under the terms of this guarantee EXCEED the Mitchell Repair Manual published applicable flat rate schedule of hours for R&R transfer case times \$50 per hour.

No-Fault Warranty GOLD: Authorized repairs on claims will be reimbursed at a rate not to exceed the Mitchell Repair Manual published applicable flat rate schedule. Hourly rates for all authorized repairs will be paid in accordance with rate paid for the original installation but not to exceed \$95.00 an hour. Do-it yourself repairs, repairs performed by unlicensed repair facilities, or repairs made to units not originally installed in a LARF will not be reimbursed. Labor guarantee under terms of No-Fault Warranty GOLD is limited to the first time failure of the product and in no case will the total labor under the terms of this guarantee EXCEED the Mitchell Repair Manual published applicable flat rate schedule of hours for R&R transfer case times \$95 per hour.

Payment for Parts

Parts on authorized repairs will be reimbursed at the purchase price. Proof of Purchase will be required. Fluid replacement costs are not allowed under standard warranty coverage – No-Fault GOLD carries a provision for fluid.

Product replaced under warranty carries the remainder of the original product's warranty term.

If you are unable to obtain satisfactory service, please contact the LKQ Warranty Department, 1102 W.N. Carrier Parkway, Grand Prairie, TX 75050. This warranty applies to vehicles registered and normally operated in the United States and Canada.

ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED TO THE DURATION OF THIS WARRANTY AND DO NOT COVER INCIDENTAL OR CONSEQUENTIAL DAMAGES. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS OR THE EXCLUSION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS, WHICH VARY FROM STATE TO STATE.

This warranty gives you specific legal rights. You may also have other rights which may vary from state to state and country to country.