

IMPLIED WARRANTY OF MERCHANTABILITY DISCLOSURE STATEMENT

Dealership Name: _____ Salesperson: _____

Customer Name(s): _____

Covered Vehicle: _____

Date of Delivery: _____ Odometer Reading: _____ Miles

New Mexico Law requires that this vehicle will be fit for the ordinary purposes for which the vehicle is used for fifteen (15) days or five hundred (500) miles after delivery, whichever is earlier, except with regard to particular defects disclosed in the Waiver of the Implied Warranty of Merchantability for Particular Defects and on the first page of the Retail Purchase Agreement. You (the Consumer) will have to pay up to twenty-five dollars (\$25.00) for each of the first two repairs if the Warranty is violated. Our maximum liability shall not exceed the purchase price you paid for the vehicle. Please read the following for more information regarding your rights and remedies if the implied warranty of merchantability is breached.

This implied warranty of merchantability expires at midnight of the fifteenth calendar day after the Date of Delivery or after the Vehicle has been driven five hundred (500) miles from the Odometer Reading listed above, whichever is earlier. For purposes of calculating the term of this Warranty, any day on which the Warranty is breached and all subsequent days on which the vehicle fails to conform with the implied warranty of merchantability are excluded. In addition, the miles you must drive to obtain or in connection with a repair, service or testing of the vehicle while it fails to conform with the implied warranty of merchantability are excluded.

The implied warranty of merchantability is met if the vehicle functions substantially free of defects that significantly limit the use of the vehicle for the ordinary purpose of transportation on any public highway. The implied warranty of merchantability does not extend to damage that occurs to the vehicle after the sale that results from: (1) off-road use; (2) racing; (3) towing; (4) abuse; (5) misuse; (6) neglect; (7) failure to perform regular maintenance; and/or (8) failure to maintain adequate oil, coolant and other required fluids or lubricants.

If the vehicle fails to conform with the implied warranty of merchantability, you must give us reasonable notice of the failure within thirty (30) days of the date of the failure and, before you exercise any other remedy, you must provide us with the opportunity to repair the vehicle. You must deliver the vehicle to the Dealership or a service facility that we reasonably select and authorize in writing all repair work to be performed under this Warranty. We will not reimburse you for any covered services or repairs that are not performed by us, unless you received advance written authorization to have the services/repairs performed elsewhere and are able to provide us with written receipts. We may, at our sole discretion, use used or remanufactured parts. The timeliness of the service or repair may be affected by the availability of replacement parts. Upon re-delivery of the vehicle to you, you must pay for one-half of the cost of the first two repairs necessary to bring the vehicle into compliance with the Warranty, up to a maximum payment of \$25.00 for each repair.

The maximum liability of a seller pursuant to this section is limited to the purchase price paid for the used motor vehicle, to be refunded to the consumer or lender, as applicable, in exchange for return of the vehicle, unless the seller knew or should have known of the defect given the circumstances in which the vehicle was acquired or sold and the seller did not disclose that defect.

By signing below, you acknowledge that you have read and received a copy of this Disclosure Statement. This Implied Warranty of Merchantability Disclosure Statement is hereby incorporated by reference into the Retail Purchase Agreement.

Customer

Customer