

PARTS UPGRADE POLICIES AND PROCEDURES

6.1. Frequently Asked Questions about New Terms and Conditions and RMI

6.1.1. Cash Payout on Accrual Allowance

- Q. *If dealers receive cash for their accrual one period, does that amount get subtracted from the next period?*
- A. No, cash payouts do not affect a dealer's future payouts.
- Q. *Can I still receive a credit to my Parts account on unused accrual if I miss the top payouts for Stock Order and Fill Rate but hit the Idle Capital metric?*
- A. Yes. The credit to unused accrual is strictly based on keeping your idle capital under 4 percent of your Mazda parts inventory.

6.2. Stock Order Utilization

- Q. *How will my incremental stock orders ship?*
- A. Each order will be reviewed (Rated) based on its weight and size to determine the best carrier. Increment Stock Orders will ship FedEx, UPS and/or Less-than-Truckload.
- Q. *Can I change my stock order entry day(s)?*
- A. No. The days assigned to you are fixed.
- Q. *Are lines or dollars used to calculate stock order utilization?*
- A. Both lines and dollars are calculated. The higher of the two is used to determine the stock order utilization accrual allowance percent.

6.3. Off The Shelf Fill Rate

- Q. *How will Mazda define "Off-The-Shelf Fill Rate?"*
- A. Off-The-Shelf Fill is officially defined as "Stock status parts available off the shelf at the time of the sale."

PARTS UPGRADE POLICIES AND PROCEDURES

1. Special Ordered parts and non- stocking status parts are not included in the calculation.
2. There must be sufficient quantity on the shelf (not “on order”) for each sale.
3. The parts must be on the shelf when the initial order is made.
4. Parts “picked up” from other sources after the order is made do not qualify.

Q. *How does the DMS determine whether a part should be on the shelf?*

A. The DMS determines based on the parameters set by the parts manager.

Q. *What is the formula that is used to calculate Off-The-Shelf Fill?*

A. An example would be:

1. Stock Status Parts Required = 10
2. Stock Status Parts Available = 8
3. Stock off the Shelf Fill = 80%

Q. *How will dealers get the report to calculate Off-The-Shelf Fill?*

A. ADP and R&R dealers need to contact their respective vendor (if they have not already done this) for a report upgrade to their DMS that will allow their systems to calculate Stock off the Shelf Fill. The dealer will not have to pay for this upgrade.

Q. *What about the other systems?*

A. UCS dealers already have this reporting capability. There is no need for an additional software upgrade. Instructions on how to run Stock off the Shelf Fill for other DMS vendors (including UCS) is available on the Full Circle Gateway homepage thru MXConnect on

PARTS UPGRADE POLICIES AND PROCEDURES

the Parts and Accessories tab.

Q. *Will all of these systems calculate Off-The-Shelf Fill the same way?*

A. Yes, Stock off the-Shelf Fill reports were developed by ADAMI in conjunction with each of the DMS vendors, so the reports will be the same.

Q. *Do MAPP dealers have this software already?*

A. Yes, all MAPP dealers currently use Stock off the Shelf Fill as part of the training program.

6.4. Remote Managed Inventory

Q. *When can I enroll for RMI?*

A. Enrollment is now open.

Q. *How much does RMI cost?*

A. RMI costs \$668 per month (or \$8,016 per year) and requires a one year commitment.

Q. *How quickly will the RMI installation begin after I enroll my dealership?*

A. RMI implementation is flexible, and is normally installed within 2 to 4 weeks of enrollment. Billing commences the month of installation.

Q. *Who will initially contact me after I fax in the dealer enrollment form to ADAMI?*

A. An RMI program manager will initially contact you within 24-48 hours of the enrollment being received by ADAMI and will set up the installation date. Installation begins with a conference call between the Dealer Principal, Parts Manager, Service Manager and your assigned RMI Parts Professional.

PARTS UPGRADE POLICIES AND PROCEDURES

- Q. *Does the RMI Parts Professional travel to my dealership in person?*
- A. No, the RMI Parts Professional communicates with your dealership via phone, webex, email and fax.
- Q. *When will we know what RMI Parts Professional has been assigned to my dealer?*
- A. The RMI program manager will notify you of your RMI Parts Professional during the initial contact.
- Q. *If I have a question, who can I contact?*
- A. You can call the RMI support center at 888-231-6689.
- Q. *What will the billing be?*
- A. Billing is monthly at \$668 per month (\$8,016 per year).
- Q. *What are the daily requirements of the parts manager?*
- A. 1) Enter data monthly on the Parts Upgrade Gateway (Full Circle Gateway).
- 2) Record Lost Sales.
- 3) Submit DMS reports to Area Parts Manager as requested.