

# Toyota Fleet

Policies & Procedures

Corp RAC Risk, Licensee RAC Program

# Contents

Toyota Commercial Fleet Program .....	1
I. Program Type .....	1
II. Eligible Models.....	1
III. Types of Fleet Accounts .....	1
IV. Participants' Roles & Responsibilities .....	2
V. Before Ordering a Vehicle .....	3
VI. Placing an Order .....	4
VII. Disclaimer.....	4
VIII. Termination.....	5
IX. Audit Agreement.....	5
X. Notification of Any Delays .....	5
XI. If an Order is Submitted with Errors .....	6
XII. Cancelling an Order .....	6
XIII. Changing an Order.....	7
XIV. Tracking Orders .....	8
XV. Corp RAC and Licensee Vehicle Delivery –Drop Ship Requests.....	9
XVI. Fleet Invoicing and Incentive Payments .....	9
XVII. Fleet Order Price Assurance.....	10
XVIII. Fleet Order Price Protection Program .....	14
XIX. National Account Warranty Stations .....	16
XX. Product Price Information .....	16
XXI. Duplicate Certificates of Origin .....	16

Version #	Date	Revision Description
2.0	06/01/2009	New Release

# Toyota Commercial Fleet Program

## I. Program Type

Corp RAC Risk, Licensee RAC. For Toyota Rent a Car (TRAC) Policies and Procedures see the TRAC Policies and Procedures. For Daily Rental Repurchase Program see the current model year program guidelines.

## II. Eligible Models

For a list of specific series available for fleet purchase, go to [fleet.toyota.com](http://fleet.toyota.com).

To be eligible for fleet pricing, fleet vehicles must be:

1. Ordered as fleet production “J” category from the pre-approved list. Dealer/Region/Distributor stock is not eligible without TMS Fleet’s permission.
2. Utilized by a Fleet Account for business purposes.
3. Owned by and titled in the name of the Fleet Account or Fleet Management Company.
4. Titled and licensed within the United States, excluding Hawaii, unless otherwise specified by specific program guidelines.
5. Maintained in service for the minimum time specified for each program

## III. Types of Fleet Accounts

There are several types of fleet accounts. In general, a “Fleet Account” is any company that maintains a specified minimum number of units in service, and which orders, during the current program year, a specified minimum number of eligible Toyota vehicles.

### **The following requirements apply to all Fleet Accounts:**

- TMS Fleet must approve all Fleet Accounts.
- Each Fleet Account must have a Toyota Fleet ID Number (“FIN”)
- Vehicle title must be in the name of the company, not to, or in care of, an individual.
- Every Fleet Account must read and agree to the Fleet Policies and Procedures for each program they are participating in.

### **Corporate Rent – A – Car (“RAC”) Accounts**

- Rules of Eligibility:
  1. Must maintain one hundred thousand (100,000) or more units in service
  2. Must order, during the current year, a minimum of five hundred (500) Toyota vehicles
  3. Must maintain the vehicles in service for a minimum of 6 months or 12,000 miles, unless otherwise required by specific program guidelines
  4. Must have a valid Toyota FIN

### **Licensee Accounts/ Independent RAC Accounts**

- Rules of Eligibility:
  1. Must maintain ten (10) or more units in service
  2. Must order, during the current year, a minimum of five (5) Toyota vehicles
  3. Must maintain the vehicles in service for a minimum of 6 months or 12,000 miles, unless otherwise required by specific program guidelines
  4. Must have a valid Toyota FIN

### **Long Term Daily Rental Accounts**

- Rules of Eligibility:

1. Must maintain one hundred thousand (100,000) or more units in service
2. Must order, during the current year, a minimum of five hundred (500) Toyota vehicles
3. Must maintain the vehicles in service for a minimum of 9 months
4. Must have a valid Toyota FIN

## IV. Participants' Roles & Responsibilities

1. **Toyota Motor Sales, U.S.A., Inc. ("TMS")** is the importer of all Toyota vehicles in the United States, except Hawaii. TMS provides vehicles to all TMS dealers and Private Distributors (PD's).
  - **TMS:**
    - Establishes the policies and procedures
    - Publishes and pays the fleet incentives for vehicles meeting program criteria
    - Publishes the price protection and price assurance policy
    - Provides National Fleet Advertising
    - Maintains the Fleet ordering systems
    - Approves and issues the Toyota Fleet Identification number (FIN) for all Fleet Accounts.
    - Provides the vehicle specification information for ordering purposes
    - Provides access to fleet website [fleet.toyota.com](http://fleet.toyota.com)
    - Negotiates with the plant to meet requested production volumes and delivery timelines
    - Generates and mails the dealer invoice and MSO for sales generated by TMS dealers
    - Provides status information of order through [fleet.toyota.com](http://fleet.toyota.com)
    - Provides customer support group to assist customers in ordering and status information
    - Audits policy compliance and implements chargebacks for fleet incentives for vehicles not meeting program criteria
    - Establishes the secondary dealer code if requested by TMS selling dealer
    - Makes available the training materials on new products
2. **Distributor** – TMS, Southeast Toyota (SET) and Gulf States Toyota (GST) are authorized distributors that service the franchised dealers in their designated areas. SET and GST are referred to as Private Distributors (PD) throughout this document.
  - **The Distributor:**
    - Employs Fleet Field Managers/ PD managers to provide the face to face program explanation, Toyota policies and procedures and to solicit new business with dealers, licensees, commercial customers and commercial leasing companies
    - Assists the Fleet Account in applying for Toyota Fleet Identification number
    - Generates and mails the dealer invoice and MSO for sales generated by PD dealers.
    - Applies the incentive credits to dealer invoice for vehicles meeting program criteria
    - Contracts with the carrier to deliver vehicles to dealership
    - Installs the post production/ port installed options
    - Responsible for coordinating with the selling dealer to identify the responsible parties for facilitating training.
    - Provides VIN status information to selling dealers through Dealer Daily network
    - SET and GST provides Pre Delivery service
    - Coordinates with TMS to establish the secondary dealer code if requested by PD selling dealer

### 3. Selling Dealer

To participate in the **Toyota Fleet** programs, each dealer must:

- i. Sign and complete the Fleet Dealership Enrollment Form available through the TMS fleet website [fleet.toyota.com](http://fleet.toyota.com) or the respective TMS/PD FFM/ Fleet manager.
- ii. Enroll in the Toyota Executive Delivery Program (TED) by completing the online TED Enrollment Form
- iii. Comply with all policies, procedures and guidelines for each applicable fleet program in effect. .

#### Once enrolled, the Selling Dealer:

- Assists the Fleet Accounts in applying for Toyota Fleet Identification number
- Negotiates the price with the Fleet Account
- Obtains a purchase order from the Fleet Account
- Registers for online access to TMS fleet website for ordering and checking status of fleet vehicles.
- Places order for the Fleet Account if the Fleet Account does not have direct access to [fleet.toyota.com](http://fleet.toyota.com)
- Signs and completes the Dealer Authorization Form allowing selected Fleet Accounts to enter orders directly through the TMS fleet website, [fleet.toyota.com](http://fleet.toyota.com).
- Ensures the Fleet Account has sufficient financing to complete the fleet transaction.
- Assists in arranging financing for the commercial account.
- Ensures that a sufficient line of credit is available to accommodate fleet business.
- Receives VIN status information through FTC.
- Reviews the dealer invoice to ensure that the published fleet incentive is reflected on the dealer invoice.
- Receive the payment for the vehicle.
- Notifies TMS/ PD of any order cancellations or modifications.
- Coordinates with the facing TMS region or Private Distributor to facilitate training.
- Receives and inspects the vehicle according to the transportation procedures as specified in the TLS Transportation Claims Policy and Procedure manual
- Notifies the customer that the vehicle has arrived
- Completes vehicle registration and title documentation
- Completes the PDS not performed by Toyota Logistics Services

#### 4. Corporate RAC/ Licensee/ Independent Accounts:

- Requests a Toyota Fleet Identification number (FIN)
- Negotiates the price with selling dealer
- Provides the financial arrangement for purchase from dealer
- Submits the orders to TMS or dealer depending on dealer agreement and/or financing arrangement
- Provides TMS/ PD a monthly delivery matrix to ensure production capacity

## V. Before Ordering a Vehicle

Before ordering a vehicle, the following must be done:

- The fleet customer must have a valid Fleet Identification number (FIN) issued by TMS Fleet.
  - Fleet Accounts should complete the appropriate TMS Fleet Identification Number Enrollment Form and submit to TMS Fleet for approval.
- The fleet customer must have a purchase agreement with a participating Toyota dealership. Copies of the purchase agreement must be made available to the selling dealer/TMS Fleet and/or the applicable PD upon request.
  - Purchase Agreements must contain the following information:
    - Selling Dealer
    - Ship to Location
    - Vehicle specifications
    - Delivery Window
    - Vehicle Quantity
    - Fleet Account Name
    - Fleet ID Number

## VI. Placing an Order

- Vehicle orders must be submitted to TMS Fleet via [fleet.toyota.com](http://fleet.toyota.com).
- Orders may be submitted by the following entities, where applicable:
  - Selling Dealer
  - SET or GST
  - Non-Dealer participants – only with “Dealer Authorization Form”
    - Fleet Customer
- The entity submitting the order online must retain the Purchase Agreement and any qualifying documentation for at least 18 months.
- Order requests must be received by TMS Fleet by approximately the 10<sup>th</sup> of each month (N) for delivery during month (N+4). Example N = January, N+4 = May. Actual order due dates will be communicated by the TMS Fleet Department on a monthly basis and are available on [fleet.toyota.com](http://fleet.toyota.com).
- Licensee and National account orders may also be submitted by selecting a specific VIN from the E-mmediate pool on [fleet.toyota.com](http://fleet.toyota.com). The E-mmediate pool consists of built (or nearly built) unsold Commercial Pool vehicles that are available for immediate delivery to Fleet accounts. Toyota reserves the right to limit access to the e-mmediate pool to specific programs.

## VII. Disclaimer

- Toyota accepts no responsibility or liability for vehicle orders which cannot be filled as a result of consequences beyond its control, such as limited Fleet production, unexpected production interruption by the manufacturer (TMC, NUMMI, TMMI, TMMK, TMMC) or force majeure. In such cases, Toyota will attempt to notify the Fleet Account/ Dealer/ Distributor at the time it accepts an order that there may be a production limitation or limited availability, which could affect the order and/or requested delivery date.
- Acceptance of an order by the Toyota Fleet ordering system does not constitute a commitment from Toyota to build a vehicle. At TMS sole discretion, TMS reserves the right to cancel, limit production, amend, revise, reassign, or revoke any order at any time.

- Any agreement made between a Toyota Fleet Account and a Toyota dealer is solely between that Toyota dealer and Fleet Account. Neither TMS nor the PD's will be responsible for a Toyota dealer's inability to perform its contractual agreement. It is understood that the collection of payments from any Fleet Account is the sole responsibility of the Toyota dealer.

## VIII. Termination

Toyota reserves the right to revise, revoke or terminate any fleet program, including the related program policies, procedures and guidelines at any time, with written notification to dealers. Program Vehicles previously delivered to the Fleet Account as of the date the applicable fleet program is revised, revoked or terminated shall continue to be covered by the program policies, procedures and guidelines and any other terms and conditions in effect prior to the date of such revision, revocation or termination.

In the event of any material breach or default of the Fleet Account in compliance with the policies, procedures, guidelines and any other terms or conditions for eligibility as a Fleet Account or participation in any fleet program, including but without limitation, advertising or selling fleet vehicles to retail customers or failure to pay any amounts validly due to Toyota under the Program, Toyota reserves the right to terminate that Fleet Account's status as a Fleet Account and/or participation in any fleet program at any time, upon 30-days prior written notice to the Fleet Account, which notice shall specify the nature of the breach or default. Upon the expiration of the notice period, Toyota, at its discretion, may terminate Fleet Account's participation in the program if any material deficiencies remain uncured. If the violations specified in the aforementioned notice are not cured within such 30-day notice period, Toyota may immediately terminate the Fleet Account's participation in all programs and the Fleet Account will forfeit its Toyota Fleet Identification Number. In such event, the Fleet Account will no longer be eligible to order Toyota vehicles under any fleet program offered by Toyota for a period of 12 months. Reinstatement of Fleet Account or FMC/Commercial Leasing company participation in any program is solely at TMS's discretion.

Any failure by Toyota (TMS) to insist upon strict compliance with the policies, procedures, guidelines or other terms and conditions of any fleet program, or to exercise any right or remedy, shall not be considered a waiver of Toyota's right to insist upon strict compliance with such program requirements or a waiver of any right or remedy with respect to any existing or subsequent breach or default. No waiver of any breach of any provision of the policies, procedures, guidelines or other terms and conditions of any fleet program shall constitute a waiver of any prior or subsequent breach of the same, or any prior, concurrent or subsequent breach of any other provisions of such policies, procedures, guidelines or other terms and conditions of any fleet program.

## IX. Audit Agreement

Toyota reserves the right to audit and verify records of Fleet Accounts. All Purchase agreements must be retained and available for a minimum of 18 months following the delivery of the vehicles. TMS has the right to charge back any incentive payment for units whose eligibility for fleet purchase cannot be substantiated with documentation, as required by TMS, in its sole discretion.

## X. Notification of Any Delays

TMS will attempt to notify the Fleet Account if any order request or confirmed order is incorrect due to TMS order specifications or of TMS's inability to fill an order within the requested timeframe.

- **If the selling dealer placed the order**, TMS will advise the selling dealer who, in turn, is expected to advise the Fleet Account.
- **If the PD placed the order**, TMS will advise the Private Distributor Field Fleet Manager who, in turn, is expected to advise the Fleet Account.
- **If the Fleet Account placed the order** directly, TMS will advise the Fleet Account.

## XI. If an Order is Submitted with Errors

- Once an order is placed, the selling dealer and the Fleet Account that has registered on [fleet.toyota.com](http://fleet.toyota.com) can access the order status.
- It is the selling dealer and the Fleet Account's responsibility to review the order once it is submitted and advise the appropriate party in writing that any Order Request or Confirmed Order is incorrect.
  - i. **If the selling dealer placed the order**, the Fleet Account must advise the selling dealer and the selling dealer must advise TMS Fleet / PD.
  - ii. **If the PD placed the order**, the Fleet Account must advise the Private Distributor Field Fleet Manager who will, in turn advise TMS Fleet.
  - iii. **If the Fleet Account placed the order directly**, the Fleet Account must advise TMS Fleet.
- TMS will attempt to notify the Fleet Account if any order request or confirmed order is incorrect due to specification changes or if the order is postponed to a later month.
  - i. **If the selling dealer placed the order**, TMS will advise the selling dealer who, in turn, is expected to advise the Fleet Account.
  - ii. **If the PD placed the order**, TMS will advise the Private Distributor Field Fleet Manager who, in turn, is expected to advise the Fleet Account.
  - iii. **If the Fleet Account placed the order directly**, TMS will advise the Fleet Account
- Neither TMS nor the PD shall be responsible for any error(s) in orders resulting from the failure of the Fleet Account to notify TMS in writing in a timely fashion of an error. See Section XIII for the timing required to change an order.

## XII. Cancelling an Order

- Except under the following circumstances: the selling dealer/ Fleet Account may submit an order deletion up to the point in time that TMS submits its monthly production order request to the plant, typically within fifteen days of the monthly order submission cut-off date.
  - i. E-mmediate orders cannot be canceled as they are processed and submitted immediately.
- The status of the order as shown in FTC identifies whether an order can be canceled
  - i. Valid = can be canceled
  - ii. Held = can be canceled
  - iii. Placed = Sent to the plant, cannot be canceled
  - iv. Confirmed = Sent and confirmed by the plant, cannot be canceled



- **For orders submitted directly by the selling dealer** and subsequently cancelled, the vehicle can be sold to another Fleet Account with a Toyota FIN that qualifies for the same fleet program. The vehicle cannot be sold as retail.
- **For orders submitted directly by a RAC, Licensee or Long term Daily Rental account** and subsequently cancelled, they have the right to sell the vehicle to another Fleet Account with a Toyota FIN and with prior permission by TMS or sell the vehicle at a Toyota authorized dealer auction. If sold at a Toyota authorized dealer auction, the vehicle must be titled and licensed and cannot be sold as new.
- If a Fleet Account requests consideration for an order cancellation due to special circumstances, the request must be submitted in writing to TMS Fleet Customer Support group, with a copy to the selling dealer and the Private Distributor, if applicable.
  - i. **Orders cannot be canceled after order submission to the plant if they contain factory fleet only models, options and/or fleet only special colors.**
  - ii. Orders cannot be canceled after the vehicle has been shipped from the plant marshalling yard or port.

Toyota reserves the right to charge a cancellation fee to the selling dealer and/ or Fleet Account for administrative and/or shipping expenses incurred for orders changed after the order has been submitted to the plant. The fee will not exceed the delivery, processing and handling fee listed on a dealer invoice for that model year unless special shipping arrangements were made and agreed to by the Fleet Account that exceed the delivery, processing and handling fee.

### XIII. Changing an Order

Except under the following circumstances, the selling dealer/ Fleet Accounts may submit an order change up to the point in time that TMS submits its monthly production order request to the plant, typically within fifteen days of the monthly order submission cut-off date.

- i. E-mmediate orders cannot be changed as they are processed and submitted immediately.

#### **The Timing of the Changes:**

- The status of the order as shown in FTC identifies what specifications in an order can be changed
  - i. Valid = Model number, Color, Options, Selling/ ship to dealer, Toyota FIN/ CID can be changed
  - ii. Held = Model number, Color, Options, Selling/ ship to dealer, Toyota FIN/ CID can be changed
  - iii. Placed = Model number, Color, Factory Options **cannot** be changed. Selling/ ship to dealer, Toyota FIN/ CID and post production options can be changed
  - iv. Confirmed = Model number, Color, Options **cannot** be changed. Toyota FIN/ CID can be changed. Selling/ ship to dealer and post production options may be changed depending on the vehicle status and the plant. See further rules below.

#### **Changing the Selling Dealer**

- A request to change the selling dealer must be submitted in writing with a new purchase order to the TMS Fleet department. The request can be submitted up to the point in time that the vehicle monroney label and/ or the Manufacturers Statement of Origin has been printed, whichever occurs first:

- i. *For North American built product:* typically five days prior to the scheduled build date at the plant – refer to FTC My Order query “Production Date or Build Date” and/ or Direct Order Entry (DOE) status activity is not equal to “EPD/L”.
- ii. *For Japan built product:* typically 1 day prior to vessel arrival – refer to FTC “Last Status Message - On Vessel Due To Arrive at xx on xx/xx/xx” and/ or DOE status activity code is not equal to “PORT”.

#### **Changing the Ship-to Dealer (Drop Ship Location)**

- The selling dealer/ Fleet Accounts can request a change to the “ship to dealer” if the following conditions are met:
  - i. The specifications of the vehicle match the federal regulations within the state of the new “ship to dealer” and
  - ii. The new “ship to dealer” is serviced by the North American plant in which the vehicle is being built
  - iii. The new “ship to dealer” is serviced by the port in which the vehicle is being shipped
    - Long Beach port services Southern CA, AZ, CO, NV, WY, NM, UT
    - Benecia port services Northern CA, TX, AR, LA, OK, MS
    - Portland port services AK, OR, MT, ID, WA, IL, IN, MN, WI, IA, KS, MO, ND, SD, NE, OH, KY, MI, TN
    - Newark port services NY, NJ, CT, MA, ME, NH, RI, VT, DE, MD, PA, WV, VA
    - Jacksonville services FL, AL, GA, NC, SC
    - TMS reserves the right to modify the states that are serviced by the port at any time.
  - iv. The request is submitted in writing to TMS Fleet department before the vehicle monroney label has been printed:
    - *For North American built product:* typically five days prior to the scheduled build date at the plant – refer to FTC My Order query “Production Date or Build Date” and/ or DOE status activity is not equal to “EPD/L”.
    - *For Japan built product:* typically 1 day prior to vessel arrival – refer to FTC “Last Status Message - On Vessel Due To Arrive at xx on xx/xx/xx” and/ or DOE status activity code is not equal to “PORT”.

#### **Other changes**

- If a Fleet Account requests special consideration for an order change other than those cases listed above, the request must be submitted in writing to TMS Fleet Customer Support group, with a copy to the selling dealer and the Private Distributor, if applicable.

**Toyota reserves the right to charge a change fee to the selling dealer and/ or Fleet Account for administrative and/or shipping expenses incurred for orders changed after the order has been submitted to the plant. The fee will not exceed the delivery, processing and handling fee listed on a dealer invoice for that model year unless special shipping arrangements were made and agreed to by the Fleet Account that exceed the delivery, processing and handling fee.**

## **XIV. Tracking Orders**

- The selling dealer, delivery dealer, Fleet Account can track an order by registering online at [fleet.toyota.com](http://fleet.toyota.com) (FTC).
- The status of the order, order specifications, the vehicle identification number (VIN), estimated time of arrival (ETA), Fleet Account name and requested delivery date is available.

## XV. Corp RAC and Licensee Vehicle Delivery –Drop Ship Requests

- Toyota dealers may arrange delivery of a Corp RAC and Licensee Fleet Account's vehicle to anywhere in the Continental U.S. and Alaska under the following conditions:
  1. The Fleet Account must have a receiving facility which allows an automotive transporter to deliver vehicles.
  2. The Fleet Account must read and agree to abide by the applicable terms in the Toyota Logistics Services Transportation Claims Policy and Procedure Manual as they pertain to receiving facilities. Please refer to [fleet.toyota.com](http://fleet.toyota.com) (FTC)
  3. The Pre Delivery Service for RAC accounts is performed at a TMS or Private Distributor processing facility prior to delivery. When the Pre Delivery Service is performed at a TMS processing center, some components of the PDS designed to protect the vehicle during transportation are not completed. The selling dealer/ Fleet Account will bear the expense of completing the PDS when the vehicle is not delivered to a Toyota dealer, unless otherwise specified by specific program guidelines. These items may include but are not limited to Road Testing & Mirror Calibration, Adjust Tire Pressure, Body Plug Installation, Rap guard Removal, Interior protective cover removal for door panels, seats, step covers, scuff plates, carpets, etc., Window Label Removal, Clock Setting, Shift interlock cover installation and Headlight Check.
- **Drop Ship Requests must be submitted in writing to TMS Fleet at least five days prior to submitting the first order.**

The request must include the following information:

- Reason for request.
  - Name, address of company (must be a street address)
  - Telephone number of drop ship location
  - Name of contact at drop ship location
  - Approximate unit volume per month of drop ship location
  - Hours of Operation
  - Any delivery restrictions (i.e. time of day, weekends, volume limitations).
- **Issuance of a drop ship code does not represent any form of endorsement by Toyota of the receiving company or its products or services, nor is a drop ship code to be construed as a dealer code**
  - **Any misuse of a drop ship code will result in immediate termination of the code.** Once a drop ship code has been established, TMS Fleet will monitor it for activity on a monthly basis. If there have not been any drop shipments to the code's location for twelve consecutive months (or such other period of time as determined by TMS) the drop ship code will be terminated.

## XVI. Fleet Invoicing and Incentive Payments

**RAC/ Licensee Fleet Invoices** include the following unless otherwise stated in the program criteria:

- Administrative fee
- Destination, processing and handling fee (DPH)
- Fleet credit (2% of model MSRP excluding options)
- Published Program incentive

*And do not include:*

- Dealer Holdback
- Wholesale Finance Reserve
- Fuel charge for 4 gallons of fuel (see note below for exceptions)
- TDA Advertising
- 

Vehicles ordered under the Commercial program and later transferred to other fleet programs may have a fuel charge if the fuel was installed prior to the program transfer. This includes non commercial orders fulfilled through the E-mmediate ordering process.

The Destination, processing and handling fee may vary by delivery area and vehicle type. For a list of current DPH charges, go to the order section of FTC at <http://fleet.toyota.com>.

TMS reserves the right to charge an administration fee for specific fleet programs.

**Fleet incentive funds** are available for vehicles meeting program criteria. Each incentive is based upon the fleet program, series and model year.

- For a list of specific programs available for fleet incentives, go to <http://fleet.toyota.com>
- The Fleet Account must notify TMS Fleet within one hundred twenty (120) days from the date of receipt of the vehicle that incentive payments have not been received. No requests will be accepted after that date.
- The fleet dealer and/or Fleet Account will be subject to fleet incentive charge-backs if the R.L. Polk registration audit report does not reflect the registration of the fleet vehicle ("J" category) to the Fleet Account or its commercial customer who originally ordered the vehicle.
- The fleet dealer and/ or Fleet Account will be subject to fleet incentive charge-backs if the vehicle is exported or sold prior to the end of the minimum in service time required for the applicable fleet program.

## XVII. Fleet Order Price Assurance

Fleet Order Price Assurance may be available to dealers / Fleet Accounts for previously approved fleet orders during the transition of a model year change. For those series launching a new model year, TMS Fleet / PD assures that the new model introduction price levels for vehicles produced no later than a certain date will not exceed the final prior Model Year TMS/PD Dealer invoice price levels plus any specification changes, safety equipment, and required emissions equipment, plus the applicable % specified in the published Price Assurance document for each model year.

**Price Assurance does not include increases resulting from the following changes:**

- equipment/specification changes,
- safety equipment,
- required emissions,
- factory installed options or packages,
- port installed options,
- delivery, processing and handling (DPH)
- Fleet credit (2% of model MSRP excluding options)
- Fleet incentives

**Price Assurance is only available under the following conditions:**

- Only Corp RAC or Licensee programs qualify for price assurance unless otherwise noted in a separate agreement by TMS Fleet Department.
- There is a valid fleet order for a particular model year posted in FTC by the specified date with a delivery month not to exceed four months from the order date.
- The order is confirmed to be delivered in the specified time frame. Orders that are pending due to low or no availability will **not** be price assured if they are scheduled for production outside the price assurance timeframe.
- The ordered vehicle is delivered to the specifically named Fleet Account for whom the order originally was placed and for which prior approval was granted. Vehicles taken back into dealership inventory, or subsequently sold as new or used vehicles to other than the original purchaser are ineligible.
- The units were originally ordered as fleet vehicles, and not for retail sale. Vehicles transferred to Fleet out of dealer stock are not eligible.

**How Price Assurance Works:**

- Price Assurance is calculated by the difference between the Base Model Dealer Price and the calculated value of the prior model year final published base model dealer price with new standard features. The dealer is invoiced at the price assurance level or new model introduction price, whichever is lower.
- If base model introduction prices are higher, TMS/PD will apply an invoice credit for 100% of the difference between price assurance levels and TMS/PD dealer introduction prices.

**Price Assurance Calculation – Example 1 - 2% Price Assurance**

**2010 Toyota Camry Model**

**2532**

Effective June 1, 2009

version 2.0

	Calculated value	For Example Purposes only	MY09 vs MY10	
MY09 Final	MY09 +2%	MY10 Intro	Variance	
Dealer Base Price	<b>\$18,944.00</b>	<b>\$19,322.00</b>	<b>\$19,163.00</b>	<b>\$219.00</b>
Spec Up change	\$0.00	\$102.00	\$0.00	
<b>New Base Price</b>	\$18,944.00	\$19,424.00	\$19,163.00	N/A
FE- 50 State Emissions	\$0.00		\$0.00	\$0.00
CF- Carpet Mats	\$126.00		\$127.00	\$1.00
Admin Fee	\$10.00		\$10.00	\$0.00
Fleet Credit (2%Base MSRP)	(\$433.00)		(\$438.00)	(\$5.00)
Delivery, Processing & Handling (DPH)	\$720.00		\$750.00	\$30.00
<b>Price Assurance Amount*</b>			<b>N/A</b>	
<b>Total Vehicle Invoice</b>	<b>\$19,367.00</b>		<b>\$19,612.00</b>	<b>\$245.00</b>
<b>Total Increase</b>			<b>\$245.00</b>	

\* Calculated from the new calculated base price

**Important Comments:** Price Assurance is calculated by the difference between the Base Dealer Price and the calculated value with new standard features. In this case the new price was less the new calculated value of the prior MY so there was no price assurance credit. It also excludes the combined increase of \$1 PPO increase and \$30 increase in DPH. Total invoice price increase between model years is \$245.00.

**Example #2 - 1% Price Assurance Calculation**

**2010 Sequoia Model 7917**

		Calculated value	For Example Purposes only	MY09 vs MY10
	MY09 Final	MY09 +1%	MY10 Intro	Variance
Dealer Base Price	<b>\$30,863.00</b>	<b>\$31,171.00</b>	<b>\$35,000.00</b>	<b>\$4,137.00</b>
Spec Up change	\$0.00	\$3,099.00	\$0.00	
<b>New Base Price</b>	<b>\$30,863.00</b>	<b>\$34,270.00</b>	<b>\$35,000.00</b>	<b>(\$730.00)</b>
FE- 50 State Emissions	\$0.00		\$0.00	\$0.00
CF- Carpet Mats	\$185.00		\$190.00	\$5.00
Admin Fee	\$10.00		\$10.00	\$0.00
Fleet Credit (2%Base MSRP)	(\$710.00)		(\$783.00)	(\$73.00)
Delivery, Processing & Handling (DPH)	\$745.00		\$800.00	\$55.00
<b>Price Assurance Amount*</b>			<b>(\$730.00)</b>	
<b>Total Vehicle Invoice</b>	<b>\$31,093.00</b>		<b>\$34,487.00</b>	<b>\$3394.00</b>
<b>Total Increase</b>			<b>\$3394.00</b>	

\* Calculated from the new calculated base price

**Important Comments:** Price Assurance is calculated by the difference between the Base Dealer Price and the calculated value with new standard features. In this case Sequoia had a minor upgrade and the new MY was greater than 1% from the prior MY so there was a price assurance credit of \$730. It also excludes the combined increase of \$55 increase in DPH and \$5 increase in the optional accessories ordered. With Price Assurance there is still a price increase of \$3,394.00

## XVIII. Fleet Order Price Protection Program

Fleet Order Price Protection is available to dealers / RAC and Licensee fleet Account previously approved fleet orders in the event of a mid year price increase.

### Price Protection does not include increases resulting from the following changes:

- equipment/specification changes,
- safety equipment,
- required emissions,
- factory installed options or packages,
- port installed options,
- fuel
- delivery, processing and handling (DPH)
- fleet credit (2% of MSRP model excluding options)
- fleet incentives

### Price Protection is only available under the following conditions:

- The ordered vehicle is delivered to the specifically named Fleet Account for whom the order originally was placed and for which prior approval was granted. Vehicles taken back into dealership inventory, or subsequently sold as new or used vehicles to other than the original purchaser are ineligible.
- There is a valid fleet order posted in FTC by the specified date with a delivery month not to exceed four months from the order date.
- The order is confirmed to be delivered in the specified time frame. Orders that are pending due to low or no availability will **not** be price protected if they are scheduled for production outside the price protection timeframe.
- The units were originally ordered as fleet vehicles, and not for retail sale. Vehicles transferred to Fleet out of dealer stock are not eligible.

### How Price Protection Works:

- Fleet Accounts submitting orders during the qualifying time period will qualify for price protection based on the published **base model** dealer price level in effect at the time the order was placed.
- Price Protection to the dealer will be accomplished by invoicing at the new base model price and applying an invoice credit for the differential between the old and new base model dealer prices.



**Example #1- Price Protection w/ Increase in Dealer Base Price**

**2009 Toyota Corolla**

	MY Start Up	Mid Year Price Chg	Variance
<b>Dealer Base Price</b>	<b>\$14,568.00</b>	<b>\$14,824.00</b>	<b>\$256.00</b>
50 State Emissions	\$0.00	\$0.00	\$0.00
Admin fee	\$10.00	\$10.00	\$0.00
Fleet Credit 2% Base MSRP	(\$333.00)	(\$335.00)	(\$2.00)
Delivery, Processing & Handling (DPH)	\$750.00	\$750.00	\$0.00
<b>Total</b>	<b>\$14,995.00</b>	<b>\$15,249.00</b>	<b>\$254.00</b>
Price Protection Amount		(\$256.00)	
<b>Total Vehicle Invoice</b>		<b>\$14,993.00</b>	
<b>Total Increase in Vehicle Inv</b>		<b>(\$2.00)</b>	

**Important Comments:** Price protection is calculated by the difference between the Base Dealer Price and excludes any increase accessories and the Fleet Credit. If there had been an increase in DPH along with the price increase this amount would not be subject to price protection.

**Example #2- Price Protection w/ Increase in Dealer Base Price and DPH**

**2010 Toyota Corolla**

	MY Start Up	Mid Year Price Chg	Variance
<b>Dealer Base Price</b>	<b>\$14,824.00</b>	<b>\$14,953.00</b>	<b>\$129.00</b>
50 State Emissions	\$0.00	\$0.00	\$0.00
Admin fee	\$10.00	\$10.00	\$0.00
Fleet Credit 2% Base MSRP	(\$335.00)	(\$337.00)	(\$2.00)
Delivery, Processing & Handling (DPH)	\$750.00	\$770.00	\$20.00
<b>Total</b>	<b>\$15,249.00</b>	<b>\$15,396.00</b>	<b>\$147.00</b>
Price Protection Amount		(\$129.00)	
<b>Total Vehicle Invoice</b>		<b>\$15,267.00</b>	
<b>Total Increase in Vehicle Inv</b>		<b>\$18.00</b>	

**Important Comments:** In the illustration above, the net increase in dealer cost is \$18 (combined increase of an increase in the Fleet credit of \$2.00 and an increase in the DPH of \$20.00)

## XIX. National Account Warranty Stations

Selected national accounts with substantial Toyota fleets may be approved by TMS as minor repair warranty stations. For further information contact the Field Fleet Manager assigned to your area.

## XX. Product Price Information

- Selected national accounts with substantial Toyota fleets may request product price information
- In order to receive this information, the Fleet Account must sign the Nondisclosure and Confidentiality Agreement. The agreement form is available through the TMS fleet website, <http://Fleet.Toyota.com> ("FTC") or the respective TMS/PD FFM or Fleet Manager.

## XXI. Duplicate Certificates of Origin

TMS/PD sends each dealer a Certificate of Origin ("C of O") at the time each vehicle is invoiced. This document represents ownership of the vehicle as well as certification that the vehicle meets U.S. emission and safety requirements. It should be stored in a secure area.

- Vehicles sold and delivered within the State of California do not require a C of O.
- Transfer of ownership is initiated by the assignment on the reverse side of the C of O.
- Issuance of a second C of O does not void the original document.

### Procedures for Issuance of Duplicate C of O

- ***If an original C of O is lost, damaged or destroyed by the selling or delivery dealer within 60 days of the vehicle sale reporting date***, the selling dealer must complete and submit a Request for Duplicate C of O Form to the applicable TMS Fleet department or PD along with the original C of O or its remains (if available).
- ***If an original C of O is lost, damaged or destroyed by the designated Fleet Account with power of attorney for the selling dealer within 60 days of the vehicle sale reporting date***, the Fleet Account may request a duplicate by completing the Request for Duplicate C of O Form and sending it to the applicable TMS Fleet department or Private distributor along with the original C of O or its remains (if available).
- ***If an original C of O is lost, damaged or destroyed after 60 days of the vehicle sale reporting date***, the selling dealer must complete and submit a Request for Duplicate C of O form to the applicable TMS Fleet department or PD along with the original C of O or its remains (if available). The dealer must indicate the state in which the customer lives and/or has a business. The Fleet Account or selling dealer must provide one of the following:
  1. Statement from the state vehicle titling agency verifying that the vehicle has not been titled in that state.
  2. Proof of purchase, including Bill of Sale and registration documentation.

***If the request for a duplicate C of O involves a California dealership and the vehicle has been retailed in the state of California***, the dealership must submit

a Request for Duplicate C of O form to TMS Fleet department or PD along with either a copy of the one way trip permit or other shipping documentation.

- ***If an original C of O is lost, damaged or destroyed by a third party not named above***, the selling dealer must complete and submit a Request for Duplicate C of O form to the applicable TMS Fleet department or PD along with the original C of O or its remains (if available). The dealer must indicate the state in which the customer lives and/or has a business. The customer must provide one of the following:
  1. Statement from the state vehicle titling agency verifying that the vehicle has not been titled in that state.
  2. Proof of purchase, including Bill of Sale and registration documentation.

The Request for Issuance of a Duplicate C of O form is available through the TMS fleet website [fleet.toyota.com](http://fleet.toyota.com) or the applicable TMS/PD FFM/ Fleet manager.

Duplicate C of O's will only be issued if, in TMS's sole discretion, there is a valid reason for and appropriate documentation is provided.

Where applicable, TMS Fleet or PD reserves the right to charge the selling dealer, the Fleet Account or the delivery dealer a reasonable administrative fee for creating the duplicate C of O.