Attachment 1A – Contact Dealer Ford and Ford/Lincoln Dealerships & Quick Lane Retailers Tire Round Up Gold Standard Program (*Parts Department*)

Stock the Right Tires, All the Time! Align your TIM stocking recommendations with your Auto Replenished Tires and earn Award Points! The Tire Round Up **Gold Standard** allows Dealerships to earn varying payouts based on TIM auto-replenishment stocking levels.

Gold - 340 Tires on Auto Replenish / Minimum Daily Inventory of 300 - \$1,000 Payout				
TIM Size Rank Count of Sizes on Auto-Replenishmer in TIM (25 of Top 25		Tire Quantity	Total Tires on Auto Replenish	Minimum Daily Inventory
1 thru 10	10 Sizes	24 Total: 8 Good, 8 Better, and 8 Best	240	200
11 thru 20	10 Sizes	8 Total: any combination of Good, Better, or Best	80	80
21 thru 25	5 Sizes	4 Total: any Good, Better, or Best	20	20

Silver - 240 Tires on Auto Replenish / Minimum Daily Inventory of 220 - \$600 Payout					
TIM Size Rank	Count of Sizes on Auto-Replenishment in TIM (20 of Top 25)	Tire Quantity	Total Tires on Auto Replenish	Minimum Daily Inventory	
1 thru 5	5 Sizes	24 Total, 8 Good, 8 Better, and 8 Best	120	100	
6 thru 25	15 Sizes	8 Total, any combination of Good, Better, or Best	120	120	

Bronze - 160 Tires on Auto Replenish / Minimum Daily Inventory of 160 - \$400 Payout				
TIM Size Rank Count of Sizes on Auto-Replenishment in TIM (20 of Top 25)		Tire Quantity	Total Tires on Auto Replenish	Minimum Daily Inventory
1 thru 25	20 Sizes	8 Total, any combination of Good, Better, or Best	160	160

Base - 80 Tires on Auto Replenish / Minimum Daily Inventory of 80 - \$250 Payout				
TIM Size Rank	Alifo-Renienishment Life (Jijantity		Total Tires on Auto Replenish	Minimum Daily Inventory
1 thru 25	20 Sizes	4 Total: any Good, Better, or Best	80	80

Program Rules:

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Prior to January 3rd: Classic TIM Setup

- Use the attached Tire Round Up Gold Standard participation matrix (<u>Attachment 1B</u>) to determine the level at which your dealership will participate.
 - In TIM Step 1, select a strategy level (Best, Better, Good; Best and Good; Best Only) for the appropriate number of sizes.
 - In TIM Step 2, select appropriate number of parts and quantity for each size for Auto Replenishment by selecting a distributor (Local Distributor selections will not count).
 - In TIM Step 3, review your order and select "Lock-In Strategy/Place Order".
 Note: TIM selections will be sent to OEConnection for set up in your OEConnection Tire Replenishment Tool/Stocking Guide.
- Dealerships MUST keep the required number of sizes and selections per size on Auto Replenishment in TIM for the entire program period.
 - Note: changes to TIM selections during the program period (e.g. swapping from one part to another within a size) must be Locked-in in Step 3 on the same day any change is made to ensure continued participation.

After January 3rd: Redesigned TIM Setup

• Use the attached Tire Round Up **Gold Standard** participation matrix (<u>Attachment 1B</u>) to determine the level at which your dealership will participate.

- On the TIM Homepage, note your current strategy level in the Round Up Ready Target Area. Your strategy is determined by the number of sizes and part numbers you have assigned with a Best, Better, Good strategy.
- Consider advancing your stocking level; click on the Round Up Ready/Target area to review and adjust the Round Up level you'd like to target. Choose from Base, Bronze, Silver, or Gold.
- In the TIM Size Setup screen, add sizes/part numbers to auto replenishment accordingly to meet your target Round Up strategy level.
- To be eligible for Tire Round Up, your selections must be sent to OEConnection for set up in your OEC Tire Replenishment Tool/Stocking Guide. With any change to TIM where auto replenishment is impacted, a yellow notification bar will appear at the bottom of the screen. Click 'Review and Send to OEC'; after reviewing, hit 'Send Strategy'.
- Dealerships MUST keep the required number of sizes and selections per size on Auto Replenishment in TIM for the entire program period.
 - Note: changes to TIM selections during the program period (e.g. swapping from one part to another within a size) must be sent to OEConnection on the same day any change is made to ensure continued participation.

Inventory

- Keep Minimum Daily Inventory for these specific selections for 80% (approximately) of the program period. Weekends are not counted.
- Dealers reporting 20 of their 24 auto replenished units for the top 10 sizes (Gold) and top 5 sizes (Silver) will not be penalized for missing inventory for that day. This benefits dealerships that sell a set in their top sizes, but did not receive delivery for that part number from their distributor on that day.
- Total inventory quantities are calculated across each size, regardless of Best, Better, Good, designations.
- OEConnection must receive your tire inventory daily via your Dealership Management System (DMS). If inventory is more than two days old from the last reporting date, your dealership will be disqualified for the current Tire Round Up Gold Standard program period.

Participation

- Dealerships can move down to a lower level of participation (Gold to Silver, Gold to Bronze, Gold to Base, Silver to Bronze, Silver to Base, or Bronze to Base) during a program period but cannot move from a lower level to a higher level (Base to Bronze, Base to Silver, Base to Gold, Bronze to Silver, Bronze to Gold, or Silver to Gold) once a program starts.
- Dealerships that do not qualify for one program period can qualify for future Tire Round Up periods by getting their TIM levels set prior to the next program. In anticipation of the sizeable changes being made to the TIM tool on January 3rd, we are providing the entire month of January for Dealers to make Tire Round Up adjustments. Finalize and send your TIM auto replenishment selections to coordinate with the Base, Bronze, Silver or Gold Tire Round Up strategy level requirements by January 31st and earn a full 2 month payout!

January/February Program Dates:

TIM Lock/Send In Date	Tire Round Up Gold Standard Start/Finish Dates*	Required Days With Inventory/ Days in Program	Allocation Dates Start/Finish
January 31, 2017	January 3 – February 28, 2017 (Contest will not start until Feb 1)	16 / 20	April 3 – April 28, 2017

^{*}Weekends are not counted

How Do I Enroll

- Enrollment is automatic for all eREACT!/Ford ATW Tire Program Dealerships that provide tire inventory to OEConnection.
- There are no fees to participate in the program.

Reporting

- The Tire Round Up Gold Standard Inventory Incentive reporting website is available at FMCDealer/Parts & Service Tab/Parts Product Line Information/Tires/Tire Account Activity Center/Incentives/Tire Round Up.
- Final reporting, which will include your dealership's qualifying Purchase Index for the program will be posted the last Monday of the following month after the end of the contest.

Payout Rules:

- A Dealership must be active and enrolled in the Ford Tire Program throughout the entire program period (including the award distribution timeframe) to be eligible for payouts.
- Dealerships must have a Purchase Index of 1.0 or higher at the end of the last month of the program to qualify for any payouts (January/February Tire Round Up Gold Standard will use a February Purchase Index).
- BASE LEVEL TRAINING CERTIFICATION REQUIRED TO WIN!— Ford Motor Company requires
 that all dealership personnel must be employed by the dealership at which they won the award
 and Base Level certified to receive points. Dealership personnel who are not certified will not
 earn points from the Tire Round Up Gold Standard program. All front line employees must be
 Base certified and show in STARS as "Certified".
- Participants must be Base Level Certified by the last day of program to receive an award payout.
 - o For additional certification information please see:
 - "Incentive Eligibility Requirement Training Certification" EFC02544 posted on November 4, 2013
 - FMCDealer / Training & Certification / My Training / Training Certification / Certification Overview and FAQ

Award Distribution

- Award Distribution
 - All Awards will be distributed in the form of Award Points on the AwardHQ website at www.AwardHQ.com.
 - The points need to be allocated by the Parts Manager, Parts and Service Director, or Dealer Principal.
 - Each FCSD Award Point has a value equivalent to \$1.00.

Additional Program Details

- Dealerships not enrolled in the Ford ATW Tire Program are not eligible.
- Tires must be purchased through the Ford ATW Tire Program to be eligible for payouts.
- Ford Motor Company reserves the right to audit/validate and/or otherwise verify all tire purchases
 to determine program eligibility. Should Ford Motor Company determine an enrolled Dealer
 and/or eligible employee has engaged in fraud and/or intentional misrepresentation, Ford Motor
 Company will reduce the payouts accordingly and may terminate enrollment in future incentive
 programs.
- Ford Motor Company is required to report the value of all awards/prizes to winning Dealership personnel on Form 1099. Recipients are solely responsible for any applicable taxes on awards/prizes. Ford Motor Company assumes no liability for any such taxes. If Ford rewards a prize to the Dealership P&A account, the Dealer takes responsibility for any applicable taxes.
- Ford ATW Tire Program reserves the right to change Program Rules for future Tire Round Up Gold Standard program periods.

Q&A

- Can I change my TIM selections after a contest starts?
 - Yes, selections can be changed. We realize that some part numbers do not always remain a good fit for your stocking model, or occasionally go on back order at your distributor.
 - Make changes as needed in TIM.
 - Prior to January 3rd in Classic TIM: In Step 3 you MUST "Lock In Strategy/Place Order" on the same day any change is made in order to be counted for the Tire Round Up Gold Standard and sent to OEConnection.
 - After January 3rd in Redesigned TIM: You must send your order to OEConnection on the same day any change is made. Do so by clicking 'Review and Send to OEC' on the yellow notification bar appearing at the bottom of the screen, then hit 'Send Strategy'.
- Can I select just the Best Only selection in Step 1?
 - Yes, for Base and Bronze Level participation only. However, the best practice is to have a Best, Better, Good selection for all sizes that you choose. This will allow your Service Department to sell using the three tire strategy in the Tire Sales Tool (TST) to offer the consumer choices. In selecting a Best, Better, Good strategy, you can utilize the "Local Distributor" (prior to January 3rd in Classic TIM) for any non-auto replenish selections or select the Non-Auto Replenishment option (after January 3rd in Redesigned TIM).

QUESTIONS

Call Tire Program Headquarters at 888-353-3251 or email Tirehelp@automed5.com.