

2020 Contract Year

Volume Incentive Program (VIP) Terms and Conditions

Prepared For:

The Trane Company-Independent Dealers 800-A Beaty Street

Davidson, NC 28036

FLEET ACCOUNT NUMBER (FAN)

009U2

Submitted:

August 01, 2019

FCA Group LLC Fleet Contact:

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**CONFIDENTIAL**

**-CONFIDENTIAL-**

August 01, 2019

The Trane Company-Independent Dealers 800-A Beaty Street

Davidson, NC, 28036 Dear ,

FCA US LLC (FCA US) Fleet is pleased to confirm the Volume Incentive Program (VIP) offered to **The Trane Company- Independent Dealers** for the **2020** contract year. This special incentive applies to **The Trane Company-Independent Dealers** exclusively and will be paid on specific models ("Eligible Vehicles") based on the purchase objectives described in the attached Tables.

In addition to confirming your VIP status, we want you to know that we are here to provide our industry insight and experience to help you. Such decisions include weighing the benefit of fleet purchase and lease programs, evaluating life- cycle cost objectives, determining the value of single-source billing for routine service and parts, and choosing the right commercial financing option for your company.

You will find that it’s easy to do business with FCA US Fleet. Here are just a few advantages from which you’ll benefit:

* Access to our Web site ([**www.fcausfleet.com**](http://www.fcausfleet.com/)) offers a variety of information, including Vehicle Configurator, service and parts information, ability to track your orders, payment status and remarketing information, to name a few.
* Support from our Fleet Information Center — call **1-800-999-3533** to check availability of Fleet-only options, confirm purchases, and verify build-out dates, request product literature, and more.
* Unprecedented level of product knowledge and service provided by our fleet-dedicated staff.
* Access to Servicenet — a single-source centralized service and maintenance billing network that helps save your company time and money.

As a preferred FCA US fleet customer, we want you to know that we are ready to help you and your business in any way we can.

Sincerely,

David Snyder

Regional Account Executive

+1 5135829057

# How to Order

TERMS AND CONDITIONS FOR YOUR FLEET VOLUME INCENTIVE PROGRAM (VIP)

To ensure proper payment and to facilitate order tracking and preferential scheduling, your orders must include your assigned Fleet Account Number (FAN), **009U2** for **The Trane Company-Independent Dealers**

# Reporting Procedure

To ensure timely and proper payment of your VIP incentive, it is imperative the sale be accurately reported with the following information on the New Vehicle Delivery Receipt (NVDR).

1. Type of Sale [Type Sale 3 or 5]

Type 3- Commercial Sale Type 5- Fleet Lease

1. Fleet Account Number
2. Program I.D. Number
	* 37AJF (2018 Model Year Units)
	* 37AKF (2019 Model Year Units)
	* 37ALF (2020 Model Year Units)

# Note: Non-compliant sales reporting will result in applicable vehicles not counting toward your Fleet volume objectives.

*The Fleet Account Number will be used to determine VIP versus Retail eligibility.*

# Ordered Units

Customer is eligible to receive VIP payment. Fleet ordered units for VIP customers are not eligible for retail incentives.

# Units from Dealer Stock\*

Vehicles purchased from dealer inventory are eligible to receive either:

1. VIP Incentive if reported with Fleet Purchase Program.

-Or-

1. Local Retail Incentives. (Not Eligible for VIP allowance, vehicles will count toward Fleet volume levels only).

*\*All vehicles must be reported as a Fleet Type Sale, 3 or 5.*

**Note: All ordered & out of stock units are subject to compliance with FCA US Fleet Purchase Program Rules 37ALF.**

# Confidentiality

You acknowledge and understand that the terms and provisions of this VIP are confidential. Accordingly, you agree not to reveal, disclose, or disseminate this VIP or the terms of this VIP except with the prior written consent of FCA US. Notwithstanding the foregoing, you may disclose the terms of this VIP (a) to your respective parent companies, employees, officers, attorneys, consultants, contractors and agents, provided that you will require such parties to keep the terms of this VIP confidential in accordance with these terms and (b) pursuant to judicial action or government regulations (provided that you notify FCA US in writing in advance of disclosure and cooperate with FCA US in the event FCA US elects to legally contest and avoid such disclosure).

# Term

The term of this VIP shall continue during the Contract Dates identified on attached Schedule 1, provided that either FCA US or you may terminate this VIP earlier with 30 days’ prior written notice.

Please confirm your acceptance of this VIP by signing below. This offer will expire in 30 days unless extended by your Regional Account Executive with FCA US Fleet. By signing below, you agree to comply with the terms, conditions, obligations and agreements set forth on Schedule 1 and the Official Program Rules of the Fleet Purchase Program.

|  |  |
| --- | --- |
|  |  |
| --------------------------------- | ------------------------------------ |
| David Snyder | The Trane Company-Independent Dealers (009U2) |
| Regional Account Executive |  |
| FCA US LLC |  |
| 08/01/2019 |  |

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Date Date

# Schedule 1 Fleet VIP Rules

**Contract Year: 2020**

**Contract Dates**

Vehicles ordered June 1, 2019 - May 31, 2020

# Model Year Price Protection

This VIP will include price protection for all factory ordered vehicles specified in this agreement at “Model Year

firm” introductory pricing. Vehicles purchased from dealer retail stock are protected at “Effective Date” price level unless re-invoiced using your FAN. Re-invoiced vehicles with your fleet account number will receive “Model Year

firm” introductory pricing and all applicable fleet invoice credits.

# In-Service Retention Period and Registration

All eligible vehicles must be registered to and retained in service by the FAN for a minimum of 12 months or 12,000 miles. The FAN is required to register and title all eligible vehicles in its name. Vehicles are to remain in the United States for the 12 month or 12,000-mile minimum in-service retention period. Vehicles sold to Independent Leasing Companies (ILC’s) are eligible for the Fleet Purchase Program, if (1) the ILC and the end-user have a FAN, (2) the ILC retains title for a minimum of 12 months or 12,000 miles and (3) the ILC sells or transfers a title to a financial institution for financing purposes only.

# Warranty

All properly reported FCA US commercial fleet vehicles (NVDR type sale 3 and type sale 5) receive the 3 year 36,000- mile Basic Limited Warranty and the 5 year 100,000-mile Fleet Powertrain coverage. The 5 year/100,000 mile Fleet Powertrain coverage will “go with the vehicle”, so there will be no need to do warranty transfers and there will be no charge to second/subsequent owners to continue the warranty beyond the original owner.

# Payments

The amount listed in following table represents the total incentive provided by FCA US.



## Retroactive Payment Levels

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Model Year** | **Brand** | **Body Model** | **Description** | **Level 1 Incentive 1** **Off Invoice** | **Level 2 Incentive 0** | **Level 3 Incentive 0** | **Level 4 Incentive 0** | **Level 5 Incentive 0** |
| **2020** | **ALFA ROME****O** | **GAF** | **GIULIA RWD** | **1,000** | **0** | **0** | **0** | **0** |
| **2020** | **ALFA ROME****O** | **GAG** | **GIULIA AWD** | **1,000** | **0** | **0** | **0** | **0** |
| **2020** | **ALFA ROME****O** | **GUF** | **STELVIO RWD** | **1,500** | **0** | **0** | **0** | **0** |
| **2020** | **ALFA ROME****O** | **GUG** | **STELVIO AWD** | **1,500** | **0** | **0** | **0** | **0** |
| **2020** | **CHRYS****LER** | **RUC** | **PACIFICA/VOYAGER** | **1,750** | **0** | **0** | **0** | **0** |
| **2020** | **CHRYS****LER** | **LXC** | **300 RWD** |  | **4,000** | **0** | **0** | **0** | **0** |
| **2020** | **CHRYS****LER** | **LXF** | **300 AWD** |  | **4,000** | **0** | **0** | **0** | **0** |
| **2020** | **DODG****E** | **LDD** | **CHARGER RWD** | **4,000** | **0** | **0** | **0** | **0** |
| **2020** | **DODG****E** | **LDE** | **CHARGER AWD** | **4,000** | **0** | **0** | **0** | **0** |
| **2020** | **DODG****E** | **RTK** | **GRAND CARAVAN** | **4,500** | **0** | **0** | **0** | **0** |
| **2020** | **DODG****E** | **WDD** | **DURANGO RWD** | **3,500** | **0** | **0** | **0** | **0** |
| **2020** | **DODG****E** | **WDE** | **DURANGO AWD** | **3,500** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **KLJ** | **CHEROKEE 4X4** | **1,000** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **KLT** | **CHEROKEE FWD** | **1,000** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **WKJ** | **GRAND CHEROKEE 4X4** | **3,000** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **WKT** | **GRAND CHEROKEE 4X2** | **3,000** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **MPJ** | **COMPASS 4X4** | **2,500** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **MPT** | **COMPASS FWD** | **2,000** | **0** | **0** | **0** | **0** |
| **2020** | **JEEP** | **JLJ** | **WRANGLER 4WD** | **500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **D23E** | **3500 CREW/MEGA CAB 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **D23R** | **3500 REGULAR CAB 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **D28E** | **3500 CREW/MEGA CAB 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **D28R** | **3500 REGULAR CAB 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DD3E** | **3500 CREW CAB CHASSIS 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DD3R** | **3500 REG CAB CHASSIS 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DD8E** | **3500 CREW CAB CHASSIS 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DD8R** | **3500 REG CAB CHASSIS 4WD** | **3,500** | **0** | **0** | **0** | **0** |



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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Model Year** | **Brand** | **Body Model** | **Description** | **Level 1 Incentive 1** **Off Invoice** | **Level 2 Incentive 0** | **Level 3 Incentive 0** | **Level 4 Incentive 0** | **Level 5 Incentive 0** |
| **2019** | **RAM** | **DJ2E** | **2500 CREW/MEGA CAB 2WD** | **7,000** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DJ2R** | **2500 REGULAR CAB 2WD** | **5,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DJ7E** | **2500 CREW/MEGA 4WD** | **7,000** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DJ7R** | **2500 REGULAR CAB 4WD** | **5,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP0E** | **5500 CREW CAB CHASSIS 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP0R** | **5500 REG CAB CHASSIS 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP4E** | **4500 CREW CAB CHASSIS 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP4R** | **4500 REG CAB CHASSIS 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP5E** | **5500 CREW CAB CHASSIS 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP5R** | **5500 REG CAB CHASSIS 2WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP9E** | **4500 CREW CAB CHASSIS 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2019** | **RAM** | **DP9R** | **4500 REG CAB CHASSIS 4WD** | **3,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DJ2E** | **2500 CREW/MEGA CAB 2WD** | **6,750** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DJ7R81** | **2500 LONGHORN MEGA CAB 4X4 (160 IN WB 6****FT 4 IN BOX)** | **6,750** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DJ7E** | **2500 CREW/MEGA 4WD** | **6,750** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **VMD** | **PROMASTER CITY** | **4,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **VF1** | **PROMASTER 1500 CARGO VAN** | **6,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DS1E** | **CLASSIC 1500 QUAD/CREW 2WD** | **8,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DS6E** | **CLASSIC 1500 QUAD/CREW 4WD** | **8,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DS1R** | **CLASSIC 1500 REGULAR CAB 2WD** | **6,000** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DS6R** | **CLASSIC 1500 REGULAR CAB 4WD** | **6,000** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **VF2** | **PROMASTER 2500 CARGO VAN** | **7,000** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **VF3** | **PROMASTER 3500 CARGO VAN** | **7,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DT1E** | **1500 QUAD/CREW 2WD** | **6,500** | **0** | **0** | **0** | **0** |
| **2020** | **RAM** | **DT6E** | **1500 QUAD/CREW 4WD** | **6,500** | **0** | **0** | **0** | **0** |

**Additional Option or Powertrain Adjustments**

Vehicles Ordered with the option and/or powertrain (engine and transmission) listed below will receive the pricing adjustment as indicated. Options, excluding powertrain that are included in group equipment packages or standard on the base body model, are already discounted and excluded from these additional incentives.

If you receive VIP incentives via off-invoice credits, then the option discounts will be presented as a credit on the original invoice. In the event this credit is missing, payment will be made to you or your assignee once the unit is reported as a commercial fleet sale.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Model Year** | **Brand** | **Body Model** | **Description** | **Start Date** | **End Date** | **Amount** | **Sales Code** | **Sales Code Description** |
| 2020 | JEEP | WKJ | GRAND CHEROKEE 4X4 | 6/1/2019 | 5/31/2020 | ($2,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |
| 2020 | JEEP | WKT | GRAND CHEROKEE 4X2 | 6/1/2019 | 5/31/2020 | ($2,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |
| 2019 | RAM | DJ2E | 2500 CREW/MEGA CAB 2WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | ETK | 6.7L I6 CUMMINS TURBO DIESEL |
| 2019 | RAM | DJ2R | 2500 REGULAR CAB 2WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | ETK | 6.7L I6 CUMMINS TURBO DIESEL |
| 2019 | RAM | DJ7E | 2500 CREW/MEGA 4WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | ETK | 6.7L I6 CUMMINS TURBO DIESEL |
| 2019 | RAM | DJ7R | 2500 REGULAR CAB 4WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | ETK | 6.7L I6 CUMMINS TURBO DIESEL |
| 2020 | RAM | DJ2E | 2500 CREW/MEGA CAB 2WD | 6/1/2019 | 5/31/2020 | ($2,250.00) | ETL,ETM | 6.7L CUMMINS DIESEL ENG,6.7L CUMMINS HO |
| 2020 | RAM | DJ7E | 2500 CREW/MEGA 4WD | 6/1/2019 | 5/31/2020 | ($2,250.00) | ETL,ETM | 6.7L CUMMINS DIESEL ENG,6.7L CUMMINS HO |
| 2020 | RAM | DS1E | CLASSIC 1500 QUAD/CREW 2WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |
| 2020 | RAM | DS1R | CLASSIC 1500 REGULAR CAB 2WD | 6/1/2019 | 5/31/2020 | ($4,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |
| 2020 | RAM | DS6E | CLASSIC 1500 QUAD/CREW 4WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |



|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Model Year** | **Brand** | **Body Model** | **Description** | **Start Date** | **End Date** | **Amount** | **Sales Code** | **Sales Code Description** |
| 2020 | RAM | DS6R | CLASSIC 1500 REGULAR CAB 4WD | 6/1/2019 | 5/31/2020 | ($4,500.00) | EXF | 3.0L V6ECODIESEL ENGINE |
| 2020 | RAM | DT1E | 1500 QUAD/CREW 2WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |
| 2020 | RAM | DT6E | 1500 QUAD/CREW 4WD | 6/1/2019 | 5/31/2020 | ($2,500.00) | EXF | 3.0L V6 ECODIESEL ENGINE |
| 2020 | RAM | VF1 | PROMASTER 1500 CARGO VAN | 6/1/2019 | 5/31/2020 | ($2,000.00) | EXG | 3.0L I4 F1C TURBO DIESEL ENGINE |
| 2020 | RAM | VF2 | PROMASTER 2500 CARGO VAN | 6/1/2019 | 5/31/2020 | ($2,000.00) | ETK | 6.7L I6 CUMMINS TURBO DIESEL |
| 2020 | RAM | VF3 | PROMASTER 3500 CARGO VAN | 6/1/2019 | 5/31/2020 | ($2,000.00) | EXG | 3.0L I4 F1C TURBO DIESEL ENGINE |

# Fleet Payment and Adjustment Timing Limitations

Automatic payments will be made to VIP incentive fleet customers. Any issues related to automatic VIP incentive payment must be claimed within two years of date of sale or lease of vehicle.

VIP payment adjustments resulting from audit reviews must occur within the later of:

* + 2 years from the date the VIP incentive is paid Or
	+ 2 years from the latter of the sale/lease date or the date the vehicle is reported sold/leased by the dealer

# Specialty Models

Hybrid, Electric and SRT versions of existing models are excluded from VIP incentive payments.

# Discontinued Models

In the event that FCA US discontinues or significantly changes a specific vehicle or model during the period of this agreement which is then replaced by a new model of the same size or price class, FCA US may lower its discount on subject new model or vehicle type being replaced as mutually agreed upon by both parties through collaborative discussions.

# Price Adjustments

The above payment grids have been developed based on existing or previous model year pricing. In the event that FCA US Fleet adjusts a vehicle price position downward, FCA US Fleet will also adjust the payment to maintain the net price position of the vehicle. This policy will remain in effect for the term of the contract period.