



2022 Program Year

Competitive Price Allowance (CPA) Program Terms and Conditions

PRIVATE & CONFIDENTIAL

Prepared For:

TRANE/AM STD/THERMO KING ELITE DLR GRP
800 – D Beaty Street
Davidson, NC 28036

Fleet Identification Number (FIN)
VV547

08/17/2021

Ford Motor Company Fleet Contact:
CRAIG CANNONS
PO Box 1834
Travelers Rest, SC 29690

678-984-4201
e-mail: ccannons@ford.com



**North American Fleet, Lease and
Remarketing Operations**

**Ford Motor Company
CRAIG CANNONS
National Account Manager
PO Box 1834
Travelers Rest, SC 29690**

08/17/2021

TRANE/AM STD/THERMO KING ELITE DLR GRP
800 – D Beaty Street
Davidson, NC 28036

Ford Motor Company (Ford) is pleased to confirm the special Competitive Price Allowance (CPA) offered to TRANE/AM STD/THERMO KING ELITE DLR GRP for the 2022 Program Year. Ford's program is offered to meet competitive offers and promote the selection of Ford Motor Company products. Contents of this letter and attachments are considered confidential to TRANE/AM STD/THERMO KING ELITE DLR GRP and Ford, and together, constitute your CPA Agreement.

The incentives offered in this CPA Agreement supersede any incentive offering or combination of incentive offerings provided by Ford.

According to survey results, the Ford Fleet team is #1 in commercial fleet customer satisfaction and we are determined to stay there. We are committed to delivering products that fulfill the needs of your drivers. We will listen to your needs and work with you to continuously improve our service. The Ford Customer Information Center and our website can provide you with a variety of essential information on 1-800-34-FLEET, or at www.fleet.ford.com.

We have implemented a number of actions in recent years to ensure competitive whole life costs. They include:

- A focus on quality
- Technological advances to improve fuel economy, vehicle performance and safety
- Providing products with high residual values
- Exciting products at competitive prices
- Roadside assistance for drivers during powertrain warranty at 1-800-241-FORD *

* Please refer to the vehicle's Owners Guide for details.

We look forward to developing our working relationship with you and thank you for the opportunity to be your fleet company of choice.

Regards,

CRAIG CANNONS
National Account Manager

Attachment – CPA Terms and Conditions/Summary and Acceptance
Attachment – Dealer Ordering & Out-Of-Stock Instructions

TRANE/AM STD/THERMO KING ELITE DLR GRP

2022 Program Year – Terms and Conditions

Allowances will only be paid on eligible vehicles purchased or leased by your company for use in your operation. Please ensure that your Ford Fleet Identification Number (FIN), **VV547** and option code **56A** are placed on all orders for your fleet.

CPA Total Unit Volume and Incentives per Program Year

Eligible Vehicle Lines	Body(**)	Model	1 + (*)
Corsair (Excl PHEV)	ALL	2022	\$3750
Econoline	ALL	2022	\$3600
Edge	ALL	2022	\$1500
Escape (Excl Hybrid/PHEV)	ALL	2022	\$2200
Escape Hybrid	HYB	2022	\$2000
Escape S FWD	U0F	2022	\$1500
Expedition	ALL	2022	\$2600
Explorer (Excl Pol Int)	ALL	2022	\$2250
Explorer Base	BASE	2022	\$1500
F-Series Super Duty F250-F550 (Excl F600)	ALL	2022	\$500
F150 (Excl Raptor and Police)	ALL	2022	\$3900
F150 4X2 Reg Cab	F1C	2022	\$3300
F150 4X4 SuperCrew	W1E	2022	\$4000
F600 Chassis Cab	F600	2022	\$500
F650 Diesel MT	F65D	2022	\$7000
F650 Gas MT	F65G	2022	\$6700
F750 Diesel MT	F75D	2022	\$7800
F750 Gas MT	F75G	2022	\$7000
Maverick	ALL	2022	\$1200
Nautilus	ALL	2022	\$4000
Navigator	ALL	2022	\$5200
Ranger 4X2 Crew Cab	R4E	2022	\$1600
Ranger 4X2 SuperCab	R1E	2022	\$1400
Ranger 4X4 Crew Cab	R4F	2022	\$2100
Ranger 4X4 SuperCab	R1F	2022	\$1700
Transit (Excl. W1X W1Y W3X W9C W5P W5Z)	ALL	2022	\$2900
Transit 350 Van Med/Hi Roof (RWD)	3VMH	2022	\$2900
Transit AWD	AWD	2022	\$2900
Transit Connect Van	ALL	2022	\$1500
Transit Connect Wagon	ALL	2022	\$1500

* Amount will be deducted off the factory invoice for applicable first tier volume incentives.

** CPA offerings are subject to exclusions of certain vehicle lines, body styles or powertrains, including but not limited to: Battery Electric Vehicles or F150 HEV (unless explicitly listed in your incentive grid or option incentive grid), Police Interceptors, Mustang Shelby and other special series Mustang offerings, F550 Stripped/Motorhome Chassis and F150 Raptor (unless explicitly listed in your per units incentive grid).

Incentive levels set forth herein for 2022 model year vehicles will apply to all orders for early 2023 MY vehicles that are placed before 06/30/2022, where the incentive levels for the 2023 model year vehicles remain unchanged from 2022 incentives. After Ford determines 2023 incentive levels, Ford will notify Customer of 2023 model year vehicle lines where the incentive remains unchanged from the previous model year.

Notwithstanding anything to the contrary herein, Ford reserves the right to make any adjustments necessary should the dealer invoice price of a comparably equipped vehicle be reduced at any time during this CPA Agreement. (The net effect of this action will be price acquisition neutral.)

Purchase volume reverts to zero at the beginning of each program year. CPA program incentives offered cannot be combined with any other incentives.

Payment

Off-Invoice – Once a CPA offer is established in the Ford system, the first tier CPA incentive amount will be shown as a credit on the initial dealer invoice. In the event this credit is missing, payment will be made directly to you or your assignee once the unit is reported sold.

Selling Dealer Assignment – If a vehicle is purchased without a CPA off-invoice credit (i.e. out of stock), CPA incentives will be paid directly to the selling dealer through the Dealer Parts Statement.

Minimum Volume – TRANE/AM STD/THERMO KING ELITE DLR GRP must acquire 25 units during the course of the program year. In the event this volume has not been reached, you will be required to reimburse Ford all or a portion of the CPA funds paid. Ford reserves the right to offset and recoup any amount due to it from TRANE/AM STD/THERMO KING ELITE DLR GRP against any payments due from Ford under this agreement.

Year-Over-Year Price Protection

Model year net pricing increases will not exceed the following levels shown in parenthesis from the prior Program Year introductory Prices.

Year-over-year price protection calculations shall exclude options made standard, government-mandated equipment changes. Price protection shall not apply to vehicles replacing discontinued vehicle lines or vehicle models that contain major changes to vehicle powertrain, platform, or content. Should the dealer invoice price of a comparably equipped vehicle be reduced at any time during the multiple-year offering, Ford reserves the right to adjust the CPA by the amount of the dealer invoice reduction. The net effect would be acquisition price neutral on applicable vehicle lines.

Eligible Vehicles

- All new vehicles listed in the vehicle incentive grid, and sold to you by Ford or to the fleet management companies with whom you do business are eligible for indicated incentives.
- Vehicles must be registered solely in the United States and must be operated in the United States. Exporting or attempting to export is prohibited.
- All units must be reported sold fleet, using your (FIN) **VV547** and coded with **56A** to count towards volume requirements and be eligible for CPA payment. This includes purchases out of dealer stock.

In-Service Requirements

The minimum in-service requirement for commercial vehicles is 12 months or 20,000 miles (whichever comes first). The vehicles cannot be resold during this time period. Vehicles must be registered and operated solely in the 50 United States. Exporting or attempting to export is prohibited; if any vehicle is exported prior to the expiration of the vehicle's minimum in-service requirement, you agree to refund all unit volume incentives paid for all vehicles purchased pursuant to the CPA Program during the calendar year in which the exported vehicle was purchased. Customers who violate the minimum in-service requirements may also be subject to fleet incentive chargeback and/or cancellation of their FIN code.

Ineligible Programs

- The CPA program (56A) outlined in this letter is in lieu of the National Fleet Incentive Program (56M), Regional Preferred Equipment Package (PEP) discounts (including the Commercial Connection Upfit Program), and customer retail programs.
- Payment of a National Fleet Incentive (56M) or of a retail incentive on a vehicle will make that vehicle ineligible for CPA (56A).
- To ensure CPA payment eligibility, instruct your dealer or fleet management company in writing, NOT to utilize retail

or commercial account programs on your CPA eligible vehicles. This restriction applies to units ordered from production and out-of-stock purchases.

- A vehicle sold using the National Fleet Incentive (56M) will count towards the minimum volume requirement of this agreement.
- In the event you claim retail or any other special incentive on a vehicle(s) purchased from dealer stock, that vehicle(s) will be ineligible for all aspects of this CPA program. Utilizing option code 56A on your orders will ensure maximum CPA incentives are paid to your company.

Disputes

Any dispute between the parties to this agreement, including without limitation, fraud, misrepresentation, negligence or any other alleged tort or violation of the agreement, shall be governed by, construed, and enforced in accordance with the laws of Michigan regardless of the legal theory upon which such matter is asserted. If Ford Motor Company prevails, Ford may recover its reasonable costs and expenses, including attorneys' fees and all other litigation-related costs.

Summary and Acceptance

This Agreement is confidential between the parties and is intended for the sole use of the Parties. The Parties will each use Reasonable Care to protect the confidentiality of this Agreement. Reasonable Care is the standard of care that the party holding the information would use in protecting the confidentiality of its own confidential information. Without the prior written agreement of the other Party, neither Party may disclose this Agreement to any third party. Disclosure to a Fleet Management Company or Ford/Lincoln Dealer for the purpose of ordering and/or purchasing vehicles pursuant to this agreement is permissible, provided the Fleet Management Company and/or Ford/Lincoln Dealer agree in writing to observe the confidentiality requirements and Reasonable Care standards set forth herein.

To protect the Parties to this Agreement, its terms cannot be amended, supplemented, waived or modified except by an instrument in writing signed by the Parties and neither this Agreement nor any of its rights, interests or obligations can be assigned without the prior written consent of the Parties. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, conditions and provisions of this Agreement shall remain in full force and effect.

The Ford Fleet team is committed to achieving the highest level of customer satisfaction. If you have any questions about your Competitive Price Allowance please do not hesitate to contact me (contact information listed below).

Your signature is requested to verify TRANE/AM STD/THERMO KING ELITE DLR GRP's acceptance of our Competitive Price Allowance Program. Please sign and return a copy to me.

This proposal offer is valid for 30 days starting from 08/17/2021.



CRAIG CANNONS
Ford Motor Company

TRANE/AM STD/THERMO KING ELITE DLR GRP (VV547)

08/17/2021

Date

Date

Please send with your signature to:
CRAIG CANNONS
Ford Motor Company
PO Box 1834
Travelers Rest, SC 29690

ccannons@ford.com

**Dealer/Fleet Management Company
Ordering and Out of Stock Purchase Instructions
TRANE/AM STD/THERMO KING ELITE DLR GRP (VV547)**

Dealer/Fleet Management Company Ordering Instructions

Whenever possible, fleet vehicles should be ordered from production. This ensures the vehicle is invoiced correctly with the CPA credit. It is important to note that the ordering dealer/fleet management company should be instructed to take the following actions to ensure prompt payment of eligible Ford Motor Company incentives to the Fleet Account noted above.

- Use the proper Fleet Identification Number (FIN) of **VV547** on each order. All units must be reported sold fleet, using your FIN code, and coded with "**56A**" to count towards volume requirements and be eligible for CPA payment.
- **Note: option code 56A is not compatible with any Retail, Commercial, Dealer Cash, or National Fleet Incentive program, unless otherwise stated in the specific program.**

Ordered Units

- Once a CPA offer is established in the Ford system, CONCEPS will automatically populate option code 56A on all vehicle lines associated with your FIN code. If the customer has an off-invoice program, use of option code 56A, when ordering, will allow CPA payments to be off-invoice.
- TRANE/AM STD/THERMO KING ELITE DLR GRP has elected to assign all or part of their CPA funds to the selling dealer. CPA, if not off-invoice, will be paid to the selling dealer, via the Dealer Parts Statement, at the end of each month.
- Please note: If orders are placed before the CPA offer is established in the Ford system, the CPA credit will not be off-invoice. In this case, payment will be directed to the customer (or assignee), once the unit is reported sold.
- Dealers will not be able to remove the option code 56A from an order. Dealers should contact the FCIC at 1-800-34-FLEET (pick #2) to request the removal of option code 56A.
- **Dealers/Fleet Management Companies must report the vehicle sold to the proper end user FIN code along with the applicable fleet delivery type. (Delivery type = 7 for sale of unit to fleet customer. Delivery type = D for sale of unit to a leasing company for subsequent lease to the fleet customer.)**

Out-Of-Stock Purchase Process

- Dealers/Fleet Management Companies should add the option code 56A in CONCEPS to all stock units after they are reported sold/re-invoiced to TRANE/AM STD/THERMO KING ELITE DLR GRP. CPA incentives will be paid directly to TRANE/AM STD/THERMO KING ELITE DLR GRP, or an assignee.
- TRANE/AM STD/THERMO KING ELITE DLR GRP has elected to assign all or part of their CPA funds to the selling dealer. CPA, if not off-invoice, will be paid to the selling dealer, via the Dealer Parts Statement, at the end of each month.
- **Dealers/Fleet Management Companies must report the vehicle sold to the proper end user FIN code along with the applicable fleet delivery type. (Delivery type = 7 for sale of unit to fleet customer. Delivery type = D for sale of unit to a leasing company for subsequent lease to the fleet customer.)**
- **Use of 56A on units previously paid Retail, Dealer Cash, or National Fleet Incentive Program (56M) incentives could result in a dealer charge back of previously paid incentives.**
- Certain model year vehicles can fall under two program years with potentially different CPA amounts. The factory order receipt date, not the invoice or sales date will determine which program year is applicable.

Fleet Payment and Adjustment Timing Limitations

- Automatic payments will be made to CPA customers or assignee. Any issues related to automatic CPA payments must be claimed within two years of the vehicle sale date.
- CPA payment adjustments resulting from North American Sales Accounting audit reviews must occur within the later of:
2 years from the date the CPA incentive was paid.
OR
2 years from the latter of the sale date or the date the vehicle is reported sold.