

SERVICE & PARTS OPERATIONS COMMUNICATIONS**LEXUS MECHANICAL PARTS PROGRAM****02 - 28 - 2019****Bulletin 2019-04****Page 1**

In support of our on-going efforts to ensure our guests Experience Amazing and to enhance dealer business operations, Lexus has partnered with OEConnection (OEC) to support dealers' mechanical parts sales to independent repair facilities (IRFs). OEC is a known software solution provider in the industry and its product provides tools for dealers to reach a great number of independent repair facilities. To support dealers' efforts to promote increased installation of genuine Lexus parts, Lexus will offer rebates on specific part numbers to dealers on the program for use in providing more competitive pricing to conquest business that might otherwise have gone to the aftermarket. We're confident dealers' enrollment in the program will lead to increased dealer parts sales and improved customer satisfaction.

Program Overview

OEC provides a software solution to connect a dealership with independent repair facilities in its market area and with whom it can or may already be doing business. The software solution allows dealers to receive, answer and manage mechanical parts orders. Additionally, the software allows management of the verification and rebate approval process.

Next Steps

Review the program documents attached to the program launch e-mail and posted in the Lexus Customer Services website in Dealer Daily for specific information on the program. Documents provide more information on provider services, enrollment process, program fees, subscription terms and rebate payout process/frequency.

Restrictions, Terms and Conditions

- All program rebate payments are subject to audits and possible charge backs to a participating dealer's parts account if Lexus suspects fraudulent dealer and/or independent repair facility manipulation of program benefits or non-compliance with program guidelines.
- Lexus may capture, procure, or receive from or through the software solution provider, parts sales and inventory data (including all conquest parts sales) from a participating dealer's dealer management system (DMS) and/or collect dealer invoices related to the dealer's collision repair accounts.
- OEConnection reserves the right, at any time and at its discretion, to suspend the subscription, and Lexus reserves the right, at any time and at its discretion, to make any dealer ineligible to participate in the program or to receive program benefits (including rebates for conquest parts sales).
- Lexus reserves the right to change the list of parts eligible for program rebates, the reimbursement amount and any other reimbursement terms and conditions of the program.