



# YOKOHAMA TIRE CORPORATION

## 2015 COMMERCIAL DEALER MARKETING PROGRAM



Effective January 1, 2015

### **I. Dealer Agreement**

The provisions set within this Yokohama Tire Corporation (YTC) 2015 Commercial Dealer Marketing Program are applicable to all Dealers appointed by YTC pursuant to its Authorized Dealer Agreement. This Marketing Program is limited to the United States and subject to all applicable United States laws.

### **II. Product Categories**

This Marketing Program applies to the purchases of all Yokohama radial Truck and Bus (TBS), Light Truck Commercial (LTC), and Small & Medium Off-The-Road (OTR) Categories (Bias/Radial) products approved in the Authorized Dealer Agreement and distributed by YTC. The addition of products to the Authorized Dealer Agreement may be requested by completing an Addendum and forwarding to YTC Fullerton—Commercial Division.

### **III. Price List**

YTC will publish and distribute the current price lists for all commercial products.

### **IV. Pricing**

Authorized YTC Dealers will be invoiced at the current Commercial Base Price level as shown in the current Yokohama Commercial Price List, less any applicable discounts as shown on the Dealer's current net price lists.

### **V. Dealer Billing Month**

The closing schedule will be the last calendar working day of the business month. All orders must be shipped and billed by 5:00 PM Pacific Standard Time on the last day to be included in the business month. Orders not shipped and billed within the month will be processed in the following month's cycle.

### **VI. Terms of Payment**

Standard terms of payment are 2% - 60 days proximate. Invoices dated from the 1<sup>st</sup> to the 10<sup>th</sup> will be due on the 10<sup>th</sup> day of the second month. Invoices dated from the 11<sup>th</sup> to the 20<sup>th</sup> will be due on the 20<sup>th</sup> of the second month. Invoices dates from the 21<sup>st</sup> to the end of the calendar month will be due on the 30<sup>th</sup> day of the second month. Extended terms of 2% - 60, 90, 120 days proximate must be earned based on the weight or quantity of order as follows:

Product Group	Shippable Weight or Quantity to Qualify for Extended Terms
Medium Radial Truck	2,000 lbs
Light Truck Commercial	2,000 lbs
Small & Medium OTR (Bias/Radial)	8 units

1. If an order for any one group qualifies for extended terms, units from the other product group, regardless of quantity or weight, included on the same order will also receive extended terms.

2. Backorders will carry the terms of payment of the original order. Invoice date will be the date of backorder shipment.

3. Invoices dated from the 1<sup>st</sup> to the 10<sup>th</sup> will be due in equal increments on the 10<sup>th</sup> day of the second, third, and fourth months. Invoices dated from the 11<sup>th</sup> to the 20<sup>th</sup> will be due in equal increments on the 20<sup>th</sup> day of the second, third, and fourth months. Invoices dated from the 21<sup>st</sup> to the end of the calendar month will be due in equal increments on the 30<sup>th</sup> day of the second, third, and fourth months.

4. All credit memos issued by YTC, used in payment of current and future due invoices, must be deducted prior to the calculation of cash and anticipation discounts on those invoices being paid.

### **VII. Cash and Anticipation Discount**

*No cash or anticipation discount will be allowed until ALL past-due balances have been paid.*

#### **A. Cash Discount**

Cash discount will be earned based on the postmark or wire date on payments in accordance with the terms specified on each invoice. Cash discount will be calculated on the total invoice amount. The payment due date and the allowable cash discount percentage are printed at the bottom of each invoice and appear on monthly statements. The rate of discount is based upon terms as defined in VI. Terms of Payment.

#### **B. Anticipation Discount**

An anticipation discount, based on the rate established by YTC and in effect at the time of payment, will be earned based upon the postmark or wire date of payment, for each fifteen (15) calendar days prior to the due date of each invoice. Anticipation discount will be calculated on the total invoice amount.



www.yokohamatire.com • 1-800-423-4544

Commercial Customer Service: x2889 • Credit Department: x3977 • Consumer Affairs: x2880  
Commercial Customer Service Dealer Order Fax: 1-800-455-9656

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**C. Credit Memos**

All credits issued to a Dealer's account should be applied to the oldest open invoices. All credit memos must be deducted prior to calculating cash and anticipation discounts. Credit memos should be used within six months of being issued by YTC. YTC reserves the right to notify Dealer of the application of credit memos older than six months to Dealer's outstanding invoices. Credit memos will only be valid for one year from the issue date.

**D. Using Discounts**

It is the Dealer's responsibility to accurately calculate the cash and/or anticipation discounts and to deduct that amount when paying an invoice. Any discounts not utilized in this manner will be forfeited if YTC is not notified in writing of the Dealer's desire to take the discount earned but not taken within ninety (90) days of the invoice due date.

**VIII. Freight—Structured Shipping Program (SSP)**

The Structured Shipping Program is designed to streamline the process by which YTC dealers order and receive Yokohama truck tires.

Dealer must order 2,000 lbs (shippable) TBS tires on designated order day to qualify for 2% SSP Program discount. Available backorders and LTC will be shipped with the 2,000 lbs TBS shippable units. Will call orders will not qualify for the 2% SSP Program Discount.

Within 48 hours, Dealer will be contacted by carrier to schedule a delivery time upon request.

For shipments of less than 2,000 lbs TBS, Dealer will be responsible for the freight charges. Freight costs will be prepaid and added to Dealer invoice. Shipments up to 1,999 lbs will be shipped prepay and add but will not qualify for the 2% SSP Program discount.

**A. Backorders**

All shipments of backordered products which do not qualify for prepaid shipment will be shipped freight prepaid by the Dealer's YTC designated primary servicing distribution center and will be added to Dealer invoice. Prior to shipment, the Dealer will be notified and allowed to place another order to ship with the released backordered tires to qualify for prepaid freight.

**B. Approved Ship-To Locations**

YTC will only ship to a controlled servicing dealer location (51% or more ownership). The definition of servicing location is one or more service bays or one or more service trucks. (Ship-To locations must have prior approval per the Yokohama Authorized Dealer Agreement.)

**C. Drop Shipments**

YTC will ship freight prepaid on qualifying orders only to a Dealer's customer that is located within the same state and YTC sales territory in which the Dealer has approved ship-to locations as outlined in "B" above. YTC will not drop ship freight prepaid for a Dealer to another authorized YTC Dealer, nor will YTC drop ship freight prepaid for one Dealer to another Dealer's Authorized Associate Dealer. YTC reserves the right to discontinue drop shipments to particular Dealer customers or any national account entirely at YTC's sole discretion.

**D. Will Call Program**

A customer may "will call" from YTC's distribution centers. Will call pick-ups, including the customer's designated agents, must be arranged with the customer's assigned Yokohama customer service representative. All individuals and customer's designated agents who are picking up a will call order must present a valid driver's license.

1. When a common carrier is used as a customer's designated agent, they must be in compliance with all DOT regulations and the customer assumes full responsibility for the freight expense on an F.O.B. distribution center basis.
2. Will call orders that are not picked up at the scheduled date and time will require a new appointment arranged by the customer's Yokohama customer service representative.
3. The pick-up of will call orders must be scheduled between 8:00 AM and 4:00 PM local time at the designated Yokohama distribution center. The will call appointment must be at least two hours from the time of placing the order to allow the distribution center sufficient time to stage the order.

**E. Alaska and Hawaii Shipments**

All shipments to Alaska and Hawaii will be shipped prepaid to the appropriate mainland port.

**IX. Returns**

A. Any Dealer requesting to return products must obtain prior written authorization on a Customer Return Authorization Form from their appropriate YTC Zone Manager or Director of Sales.

B. Only returns of first quality, current (listed in the most recent Dealer Base Price List) products will be considered.

C. Returns that have not received prior approval are subject to being refused at the discretion of YTC.

D. Unless otherwise approved by YTC, all returns must be shipped freight prepaid by the Dealer to a distribution center designated by YTC. Shipments to non-designated distribution centers will result in a chargeback of freight.

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E. All returns approved for freight collect shipments must be made via a YTC designated freight carrier.

F. Damaged goods will not be accepted as a return except when specifically noted as damaged on the delivering carrier's delivery receipt and when previously authorized in writing by YTC. The Dealer must file all freight claims against the delivering carrier on all damaged goods.

G. Credit will be issued based upon the original invoice price of products returned if the Dealer provides the invoice number. If no invoice number is provided, the most recent invoice price will be credited. A restocking charge of up to 10% will be deducted from the credit memo issued. The Dealer, prior to YTC's issuance of a credit memo, cannot take deductions for returns.

H. All credit memos issued for returned products, used in the payment of current and future due invoices, must first be deducted prior to the calculation of cash and anticipation discounts on those invoices being paid.

### **X. Shortages Upon Delivery**

A. Receiving Dealer must inspect shipment when received and indicate any discrepancies in tires on the carrier's delivery receipt.

B. Receiving Dealer must notify a YTC customer service representative of any discrepancies and forward a copy of the carrier's delivery receipt within fifteen (15) days of receipt of shipment.

### **XI. Discovered Damage Upon Receipt**

A. Receiving Dealer must inspect shipment as received, refuse and return any damaged product with carrier and indicate damages on the carrier's delivery receipt.

B. The receiving dealer should also notify YTC customer service representative of damaged goods and place reorders.

C. Forward copies of freight damage claim or marked bill of lading to YTC and YTC will credit your account. YTC will settle the claim with the involved carrier.

### **XII. Concealed Damage**

A. Receiving Dealer must determine the product is damaged within fifteen (15) days of the receipt of shipment. When concealed damage is found, the Dealer must remove the entire DOT serial number, attach DOT to Damaged Tire form and mail the DOT serial cutout and a description of the damage to YTC Commercial Customer Service.

Once the documentation and DOT serial cutout are received by YTC, a credit will be issued to the Dealer. The tire should be retained by the Dealer until notification from YTC that the claim has

been paid and the tire can be disposed of.

B. YTC reserves the right to require additional documentation for these claims, such as photographs, or physical return of the tire(s) for inspection.

C. YTC prefers our customers to refuse damaged tires at the time of receipt. However, if this avenue fails then Dealer may use the above procedure as long as quantities are reasonable.

### **XIII. Customer Warranty and Service Policy**

The Dealer shall process all claims for adjustment or replacement of Yokohama brand tires and tubes when presented in accordance with the Yokohama Warranty Policy. The Dealer shall not modify nor extend the Yokohama Warranty in any manner. Dealers shall sell YTC products in such a way that purchasers acquire all rights under the Yokohama Warranty. All Yokohama warranty claims are subject to the applicable Yokohama Adjustment Policy. Products submitted for consideration under this policy must be shipped to the distribution center designated by YTC for processing.

Adjustment tires will be shipped in accordance with the terms stated in the Yokohama Tire Warranty Claim Procedure Manual. Dealers are responsible for ensuring only YTC-approved carriers are utilized in the return of adjustment tires whose freight terms are collect. All returns of adjustment tires should be classified "Not New Tires Class 50" on the bill of lading. Failure to do so may result in any excess freight expense being charged back to the Dealer.

### **XIV. Price Issues**

A. YTC will endeavor, when feasible, to notify the Dealer, in writing, at least fifteen (15) days prior to the effective date of changes to the Yokohama Commercial Price List.

B. Price on backorders will be the price in effect at the time of the original order unless changes to base price occur. If the invoice price at the time of the backorder release is lower than at the time of the original, the lower price will be charged. Net invoice price is computed as base price less invoice discounts, such as quarterly special discounts.

C. YTC will price protect Dealers in the event of a price reduction.

A reduction is defined as any decrease to Base price that results in a reduction in the Dealer's Net Price. Price protection will not be allowed on discontinued merchandise. To be eligible for price protection, a Dealer must submit a list of the unsold Dealer inventory at the time of the price reduction to their District Sales Representative. This inventory must include all sales order numbers related to said inventory. Inventory documentation must be signed by the Dealer and District Sales Representative and submitted to YTC Commercial Customer Service. The price

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protection request must be received within thirty (30) days of the price reduction. A credit/rebill will be issued against the original invoice for all units. Credit to invoice will be a credit to the Dealer account for the net difference. The credit will be issued only on merchandise reflected in the Dealer's purchase history within sixty (60) days prior to the price reduction.

**XV. Invoice Disputes**

All invoice disputes must be initiated within 90 days of invoice date.

**XVI. National Fleet Program**

**A. Delivery from Dealer's Inventory**

All YTC tires covered by this policy and sold from Dealer's inventories via a Yokohama National Account Delivery Receipt will be eligible for delivery commissions as follows:

1. YTC will issue credit memos for a delivery to a National Account which will include:
  - a. Credit at the Dealer's actual purchase history plus Federal Excise Tax (F.E.T.).
  - b. Credit for current commission.
  - c. Credit for any services provided.
  - d. All credit memos must be applied according to section VII. Cash and Anticipation Discount of the Dealer Marketing Program.
  - e. Only those YTC products purchased by the Dealer directly from YTC shall be eligible for credit under the National Account Program.

**B. National Account Credit Policy**

Prior to delivering tires or performing service for any Yokohama National Account, YTC dealer must:

- a. Verify that the fleet is a current Yokohama National Account by accessing the Yokohama Dealer Services Web-site ([www.yokohamatire.com](http://www.yokohamatire.com)) or by calling the Yokohama Emergency Service (YES) program representatives at (800) 282-1570. Please note that with the availability of these two verifications processes, the Yokohama National Account Directory is no longer published in book format.
- b. Contact the fleet and obtain a Purchase Order (P.O.) number for the tires and/or services requested.
- c. Enter the P.O. number, person spoken to and the contact phone number on the delivery receipt.

d. YTC requires the following on every delivery receipt: tractor and/or trailer #, mileage, license #, state, wheel position, place where service was performed.

e. Signature, printed name and driver's license number must be obtained on all delivery receipts, or the delivery receipt will be returned to the Dealer unprocessed.

f. Obtain a credit authorization number from the Yokohama Dealer Services Website or Credit Department (phone# 800-423-4544, ext. 3977).

i.) Standard Business Hours: Dealer must obtain credit approval before any delivery or service.

ii.) After Hours Emergency Road Service: Dealer may deliver up to two (2) tires if Dealer verifies the status of the National Account with YTC by accessing the Yokohama Dealer Services Web-site or by calling the Yokohama Emergency Service (YES) provider at (800) 282-1570. Dealer must obtain a credit authorization number the next business day.

g. The National Account Delivery Receipt must be processed by Dealer or received at YTC Corporate Office within 15 days of the delivery to the National Account or the delivery receipt will be returned to the Dealer. A delivery receipt returned to the Dealer due to insufficient detail or in need of a correction must be returned to YTC within fourteen (14) days of receipt. All delivery receipts received without a prior credit authorization number will also be returned unprocessed (see item f.). YTC encourages Dealers to process delivery receipts through the Yokohama web site. Contact a YTC Customer Service Representative for details. Dealers must keep a copy of the signed delivery receipt on file for seven (7) years and provide a copy to YTC as requested. A processing fee of \$5.00 will be charged for each delivery receipt not processed via the web site.

Note: At times it may be necessary for YTC to reduce prices to the National Account in order to procure specific business. Under these circumstances, it may also be necessary to reduce delivery commissions. If so, participating Dealers will be notified in advance.

**C. Service Provided to Fleet Customers**

1. In order to better service YTC Dealers and National fleets, service will be covered by the National Account Program. The current National Account Service Price Sheet gives details. Any rates or services other than the following require written authorization from the fleet.
2. Prior approval from YTC's Credit Department is required before service will be eligible for credit under the National Account

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Program. Any rates or service other than the National Account Service Price Sheet require authorization from the fleet. YTC will honor delivery receipts with other rates or services only with the fleet P.O. number included. No exceptions.

3. YTC will allow competitive brand products to be billed on Yokohama Delivery Receipts in emergency situations or in cases where a specific YTC product is not available. However, unless otherwise authorized in advance in writing by YTC the following will apply:

- a. Dealers will be charged a 10% fee on all Delivery Receipts with the following conditions:
  1. Competitive products (retreads are considered competitive products)
  2. Service only
- b. Cash discounts will not be allowed on any Delivery Receipts with the following conditions:
  1. Competitive products (retreads are considered competitive products)
  2. Service only

#### D. Warranty Claims

The current YTC Warranty applies to all customers/products supplied through the National Account Program. Warranty claims must be submitted for process using the Standard Warranty Claims Form (M-090). The fully completed claim form must accompany the affected claim products and both items must be returned to the designated YTC distribution center. Detailed instructions are provided in the current YTC Warranty Claims Procedure Manual. In order for the Dealer to receive credit for a replacement tire supplied from their inventory, a National Account Delivery Receipt must be completed and attached to a copy of the claim form. Both documents must be submitted to YTC, (Attn: NATIONAL ACCOUNTS DEPARTMENT). All claim forms must be signed by the customer and completely filled out according to YTC procedures.

#### E. Returns

All returned tires that the Dealer accepts from the National Account and wishes YTC to issue the National Account a credit must have prior approval from YTC. A delivery receipt must be completed indicating a negative figure and signed by the National Account. The delivery commission previously earned on the original sale of the product will be charged back on a debit memo.

F. Authorized Freight Carriers for Warranty Claims Processing  
Due to the disparity in freight costs, it is imperative that a YTC

authorized carrier for each U.S. state be used when shipment to a service center is necessary. YTC reserves the right to charge back the cost difference to the Dealer if the authorized carrier is not used. A Yokohama Technical Services Representative must be contacted for shipment authorization. This authorization is required for the shipment to be received freight collect. YTC publishes a Technical Services Bulletin that lists authorized freight carriers for warranty claims processing – this bulletin can be referenced for a state-by-state listing of Dealers' designated Service Center location and authorized freight carriers.

#### **XVII. Buying and Selling Restrictions**

Authorized Direct Yokohama Dealers shall refrain from selling or offering Yokohama products for sale to other Authorized Direct Yokohama Dealers unless otherwise authorized in advance by YTC in writing.

Authorized Direct Yokohama Dealers should solely purchase Yokohama products directly from YTC. The purchase of Yokohama products from any other source is not authorized by YTC unless authorized in advance by YTC in writing.

#### **XVIII. Export Sales**

For any sales made outside the U.S., it is the Dealer's responsibility to handle required F.E.T. filing.

#### **XIX. Modifications and Exclusions**

YTC reserves the right to supplement, modify or cancel this Marketing Program, in whole or in part, without notice to the Dealer. This Program does not apply to Alaska, Hawaii or United States Territories.

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**EMERGENCY ROAD SERVICE INCLUDES:**

Dealers can charge the emergency road service rate for a roll in, if and only if, the Dealer reopens his shop during "After Shop Hours." Dealer may never use both emergency road service labor and roll in labor on a delivery receipt together.

Dealers can charge for miscellaneous parts, valves and balancing on either emergency road service or roll in labor, as well as fuel surcharge\*\*. For miscellaneous parts (flaps, brackets, lights, rims, etc.), Dealers must quote their normal price. The Dealer should be descriptive on the delivery receipt, with the price and quantities included.

**NOTES**

1. All delivery receipts require credit approval.
2. Dealers will be charged a 10% fee on delivery receipts with competitive tires or service only. (Retreads are considered as competitive tires).
3. Dealers must provide brand name, pricing and F.E.T. amounts for other tire brands and retreads.
4. Casing credit information must be included in the corresponding section of the delivery receipt.
5. The delivery receipt must be complete and most importantly, provide the phone number and name of the person from whom the Dealer obtained the P.O. Number. YTC requires the following on every delivery receipt: Tractor and/or trailer #, mileage/odometer reading, license #, state, wheel position, place where service was performed, driver's name, driver's license # and driver's signature.
6. Fleets that require special handling will be covered under separate correspondence.

**National Account Service Price Sheet\***

Effective January 1, 2014

Roll Ins (At Shop)	Light Truck	Medium Truck	Wide Base (WB) & Ultra Wide Base (UWB)
Mount/Dismount/Wheel Change	\$7.50 each	\$11.00 each	\$21.00 each
Rotation (Per Tire)	\$4.50	\$20.00	\$30.00
Flat Repair (On)	\$15.50	\$37.00	\$47.00
Balancing (Including Weights)	\$11.00	\$30.00	\$40.00
Valve Stems	\$5.50	\$8.00	\$8.00
Aluminum Valve Stems	\$10	\$10	\$10
Add for Inside Dual	\$1.00	\$3.00	Wide Base Add for Inside Dual charges are not allowed.
Tire Disposal	\$3.00 each	--	--

Fuel Surcharge\*\* may be added to Delivery Receipts and will be based on the national average per the following matrix. Price per gallon can be obtained from:

<http://www.eia.gov/petroleum/gasdiesel>

\$ Per Gallon	Reimbursement Amount
\$2.99 and below	\$0.00
\$3.00 to \$3.99	\$15.00
\$4.00 to \$4.99	\$20.00
\$5.00 and up	\$25.00

\* No Additional Discounts Allowed for Non-Branded Products, Parts, and/or Services on Non-Branded Products

\*\* Effective Date for Fuel Surcharge is the Date the Delivery Receipt is Entered

\*\*\* Emergency Labor Rates are Defined as Portal to Portal and All-Inclusive. No Additional Reimbursement Will be Allowed for These Emergency Road Service Charges:

Emergency Road Service Labor***		
Rates	Hourly	Quarter Hour Increments
Mon - Fri 8:00 AM - 5:00 PM	\$90.00	\$22.50
After Hours (2 Hour Minimum)	\$114.00	\$28.00 (each quarter hour after 2 hour min.)
Saturday (2 Hour Minimum)	\$114.00	\$28.00 (each quarter hour after 2 hour min.)
Sunday (2 Hour Minimum)	\$114.00	\$28.00 (each quarter hour after 2 hour min.)
Holidays (2 Hour Minimum)	\$114.00	\$28.00 (each quarter hour after 2 hour min.)

- Miscellaneous Road Service Labor Charges
- Flat Repairs (Including Patch & Cement)
- Mounts & Dismounts, Inside Duals, Mileage, Tolls and Dispatch Fees



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