American Honda Motor Co., Inc. Honda Division Product Sales Training

PROGRAM RULES BULLETIN 2013 COUNCIL OF SALES LEADERSHIP SALES MANAGERS

Issue Date: January 3, 2013

NAME 2013 Honda Council of Sales Leadership (COSL)

DATES January 3, 2013–January 2, 2014

BACKGROUND This program is designed to recognize Sales Managers at top-

performing dealerships for performance in the areas of sales, sales team training, and Sales Manager training completion.

SCOPE Eligible Sales Managers with job codes listed below will need

to achieve all the criteria listed below and in Appendix A to earn Council of Sales Leadership (COSL) recognition for 2013.

ELIGIBLE JOB CODES • SSMR (Primary Sales Manager)

SCMR (Secondary Sales Manager)

SGSM (General Sales Manager)

SISM (Internet Sales Manager)

INELIGIBLE All job codes not listed under Eligible Job Codes above

JOB CODES

RULES STRUCTURE

Dealerships that rank in the top 150 nationally qualify

for awards.

 Ranking of dealerships is based on the number of performance points received in the following areas:

• New-vehicle sales objective attainment

• Sales team training completion

RULES STRUCTURE (continued)

Top 150 Tiebreaker

In the event of a tie in the top 150 Honda dealerships, the first tiebreaker is highest performance points received based on new-vehicle sales, followed by highest performance points received based on training.

PROGRAM AWARDS AND QUALIFICATIONS

On-Track Awards

The Primary Sales Manager at those dealerships ranked in the top 150 nationally at midyear receives a business-oriented or commemorative award.

- Rank is based on performance points received through June 30, 2013.
- The Primary Sales Manager must be identified in the Dealership Personnel Training System (DPTS) to receive an award.
- Only one award per dealership is given.

Annual Awards

Dealerships ranked in the top 150 of all Honda dealerships nationwide at the end of the program receive 1,200 Honda Reward Card award dollars to distribute to eligible Sales Managers who have been allocated percentages and who qualify by meeting the training requirements.

- Rank is based on performance points received by December 31, 2013.
- Any eligible managers listed on page 1 will need to complete all required training to be eligible for any awards.
- Each eligible Sales Manager will need to have an allocated percentage on file for the COSL program in the INTERACTIVE NETWORK (iN) to receive award dollars.
- A Sales Manager has to be employed at the winning Honda dealership at the time of award distribution to receive award dollars.

ADDITIONAL DETAILS

American Honda Motor Co., Inc., reserves the right to modify, amend, cancel, or revoke, in whole or in part, this offer at any time and without prior notice.

ADDITIONAL DETAILS (continued)

In all matters pertaining to interpretation and application of any rule or phase of the program, the decision of American Honda Motor Co., Inc., shall be final.

Awards cannot be transferred or exchanged.

For questions regarding the 2013 Honda COSL program, please contact your District Sales Manager or Program Headquarters at 1-866-446-0381, or via email at HondaCOSL@ProgramHQ.com.

AUDITS

- American Honda Motor Co., Inc., reserves the right to review dealership records during normal business hours and to question and/or disqualify any sales made or information reported that is not in accordance with program rules.
- At the conclusion of this program, representatives from your zone office may need to review dealership sales records for accuracy and validity. Such a review is not an audit and does not preclude an audit at a later date. Failure to submit dealer sales records to American Honda Motor Co., Inc., may result in disqualification from this program.

TAX LIABILITY

Awards received by Sales Managers in the 2013 COSL program may be subject to federal, state, and/or local taxes. Award winners should consult their tax advisors to determine their tax responsibility. Neither American Honda Motor Co., Inc., nor Honda dealers assume any such responsibility. Awards are considered taxable in the year they are received.

Note: Award dollars are taxed for the year in which they are deposited, regardless of when they are redeemed.

American Honda Motor Co., Inc., will mail appropriate 1099 forms to award winners at their tax addresses on file in January 2015 for 2013 program awards distributed in calendar year 2014.

AWARD DOLLAR DISTRIBUTION

Every dealership ranked within the top 150 Honda dealerships at the end of the program year is eligible to receive 1,200 award dollars for distribution.

- Sales Managers receive award dollars only if their dealerships qualify for year-end awards and they have passed their individual sales training requirements.
- The amount received is based on each Sales Manager's allocated percentage in the iN at the time the year-end calculations are completed.
- Those Sales Managers without allocated percentages do not receive any awards.

SALES MANAGER VS. SALES CONSULTANT PROGRAM PARTICIPATION

If an individual changes job codes midyear, the new job code will be automatically transferred to his or her COSL participation. The job code of record on January 2, 2014, will determine the program for which the participant receives credit.

Example: A Sales Consultant advances to a Sales Manager position during the 2013 program. As a result, he or she can participate under the Sales Manager program. The Sales Manager is eligible for any awards under that program, when he or she meets the established Sales Manager training requirements, and his or her dealership receives a top-150 national performance point ranking by January 2, 2014.

COSL PROGRAM WEBSITE

The program website (**COSL.ProgramHQ.com**) offers the following:

- High-level view of sales and training performance for the dealership, Sales Managers, and Sales Consultants (updated monthly)
- Resources that include a Sales Consultant On-Target Report and directions to COSL reporting on the iN
- Program updates
- Sales Manager and Sales Consultant FAQs

COSL ON THE SALES PORTAL

Reports are updated daily. (Month-end and year-end results are delayed due to Sales Satisfaction Telephone Survey processing.)

To navigate to the COSL reporting, sign in to **www.in.honda.com**, and navigate the following path:

- 1. Sales on the top navigation bar
- 2. Performance Reports
- 3. Council of Sales Reports
 - **Dealership Program Summary** to view your *dealership's* current ranking
 - Sales Consultant Performance Summary to view your Sales Consultants' current performance data
 - Sales Manager Performance Summary to view *your* current progress and performance data

COSL PROGRAM CONTACT INFORMATION

If you have any questions about the COSL program, you may:

- Email HondaCOSL@ProgramHQ.com.
- Phone 1-866-446-0381 (toll-free) between 8:00 a.m. and 4:30 p.m. CT, Monday through Friday.
- Contact your District Sales Manager.

APPENDIX A PROGRAM RULES

How Points Are Earned

I. Dealership Sales Performance Vs. Objective

A Honda dealership receives performance points monthly when it meets or exceeds 80 percent of its monthly new-vehicle sales objective, as follows:

New-Vehicle Sales Objective Attained	Performance Points Received
120% and above	70
115%-119.9%	65
110%-114.9%	60
105%-109.9%	55
100%-104.9%	50
95%-99.9%	45
90%-94.9%	40
85%-89.9%	35
80%-84.9%	30
79.9% and below	0

II. Sales Team Training

A Honda dealership receives performance points when its sales team completes 85 percent or more of the required training monthly, as follows:

Sales Consultant Training Completed	Performance Points Earned
100%	70
95%–99.9%	60
90%-94.9%	50
85%-89.9%	25
84.9% and below	0

All Sales Consultant-required training should be completed by the end of each program month, regardless of individual hire date. If training is not completed by the end of the month, the training attainment scores, reflected on the iN reports for the individual and overall dealership, will be affected.

III. Sales Manager Training

In 2013, Sales Managers and other eligible managers are required to complete the current required training listed in the Sales Manager Performance Summary. To review the report, sign in to **www.in.honda.com**, and navigate the following path:

- 1. Sales on the top navigation bar
- 2. Performance Reports
- 3. Council of Sales Reports
- 4. Sales Manager Performance Summary

Only those Sales Managers who pass all required courses by their required dates are eligible for year-end awards, even if the dealership is ranked in the top 150 of all Honda dealerships nationwide at the end of the program year.