

TOYOTA NEVP POLICY



Purpose

The purpose of this policy is to set out the process and guidelines between TMCA and Toyota Dealerships to facilitate the authorisation, pricing, ordering and processing an RDR for new vehicles purchased under the Toyota Network Employee Vehicle Purchase Policy (Toyota NEVP Policy).

Policy

Definitions used in this Policy

Approved Purchaser/s means a current employee within a participating Toyota or Lexus Branded Dealership (including Toyota Western Australia):

- With a minimum of 3 months continuous service as an employee at their current Toyota or Lexus Dealership at the time of COSI.
- Who, at the time of placing the order for the Toyota NEVP Vehicle and taking receipt of the vehicle is employed at the Toyota or Lexus Dealership from which the Toyota NEVP Vehicle is to be purchased; and
- Whose eligibility for the Toyota NEVP Policy has been verified by their Dealer Principal/ General Manager by completing the NEVP Declaration Form.
- Who is currently “active” status in Network Central.
- **Excluding** any person who is not included on the Dealership’s payroll such as a contractor or temporary labour e.g. paid via a 3rd party such as a labour agency.

Toyota NEVP vehicle means vehicles determined by Toyota as capable of being purchased under the Toyota NEVP Policy (refer to [Toyota Source>>myBenefits](#)).

Toyota Dealership means a motor vehicle Dealership that retails Toyota badged vehicles and carries the Toyota brand which may be operated independently or part of a Dealership group.

Toyota Retail Network means Toyota Dealership.

NEVP Declaration Form means the document which the Dealer Principal/General Manger must complete that validates the employee’s tenure in the current employing Dealership, prior to processing a purchase under the Toyota NEVP Policy.

RDR means Retail Delivery Record which is generated within the same month as physical delivery.

COSI means Customer Order Sales Information as entered into SAP by the Dealer.

Toyota WA (TWA) - In respect of Dealers operating in Western Australia, this Policy should be read by substituting references to ‘TMCA’ with ‘TWA’. Western Australian Dealers should note that TWA has appointed TMCA as agent for TWA to undertake audits and make decisions in respect of consequences of non-compliance with these policies.

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Policy Eligibility

- Dealers must verify the employee's eligibility under this policy, and be able to show acceptable evidence of tenure in the Deal Packs. The NEVP Declaration Form must be completed and signed by both the employee and by the appropriate Dealer Principal/General Manager to verify employee tenure in the Toyota or Lexus Dealership.
- Acceptable evidence of tenure includes:
 - Electronic Payroll/Human Resources Information System.
 - Manual Payroll System.
 - Contracts.
 - Payment Summary / Tax Records.
- Blank Dealer Declaration Forms can be downloaded from [Toyota Source >> myBenefits page](#).
- Employee records on Network Central must support the employee's eligibility under this policy e.g. Network Start Date and Appointment Start Dates.

Vehicle Pricing and Payment

- Discounts are based on employee tenure:

Years of Continuous Service	Discount Level
3 months to < 1 year	Silver Fleet + Matrix Funding + NEVP Discount
1 to < 3 years	Gold Fleet + Matrix Funding + NEVP Discount
3+ years of service	Platinum Fleet + Matrix Funding + NEVP Discount

- The price list and discount rates applicable to different vehicles are set out in the price lists available on [Toyota Source >> myBenefits page](#) in respect of the Toyota NEVP Policy.
- All discounts are based on List Price (Recommended Retail Price ('RRP') less Goods and Services Tax ('GST') and Luxury Car Tax ('LCT')).
- The Dealership is responsible for the delivery of Toyota NEVP vehicles and must not charge Pre-Delivery or Delivery fees.
- The Approved Purchaser will be responsible for on-road costs.
- Discounts are not applicable to Dealer-fitted vehicle parts and accessories. These costs are to be negotiated between the Dealer and the Approved Purchaser and are not included within the Toyota NEVP Policy.
- Vehicles ordered under the Toyota NEVP Policy are price protected from the date the COSI is created in SAP (not including GST or specification/model changes).
- The price the Approved Purchaser pays for the vehicle will be based on the current recommended list price on the day the order is placed with TMCA/TWA plus GST and LCT. GST will be based on the list price less the discount. The GST and LCT charged will be based on the rates and LCT threshold applicable at the time the vehicle is ready for Delivery.
- Once the Approved Purchaser has been informed that the ordered vehicle has been delivered to the Dealer, he or she has 14 business days to pay the Dealership for the vehicle and collect it. If the vehicle is not paid for and collected within 14 business days, the Dealership may cancel the sale and/or may enforce a suspension of the NEVP Policy to the Approved Purchaser (refer to Cancellation and Compliance sections).

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Ordering Process

- Vehicle orders (COSI) must be raised by the Dealership in which the employee is currently employed.
- Approved Purchasers are eligible to purchase a maximum of one NEVP vehicle per rolling 12 months. Orders (COSI) can be placed 11 months from when the previous order (COSI) was placed.
- A deposit of \$500 is required to be paid to the Dealer to confirm the order.
- The Dealer must create an order (COSI) for a NEVP Vehicle and record Batch Number on the NEVP Declaration Form. SAP ID must be chosen from the NEVP SAP ID list based on employee tenure.

NEVP SAP ID's

The NEVP COSI must be coded to one of the following SAP ID's based on Employee Tenure

SAP ID	Description
172716	3 months to < 1 year - Silver NEVP
172717	1 to < 3 years - Gold NEVP
172718	3+ years of service Platinum NEVP

Vehicle Allocation and Registration

- Vehicles must be invoiced and registered for private use only, in the name of the Approved Purchaser as shown on the NEVP Declaration Form.
Note: Vehicle can be registered in Employee's name and Spouse's name. All documentation must then include both names – Employee's name must be included on all documentation (i.e. invoices, contracts, registration etc.)
- If the vehicle is financed under the myLease Novated Lease program, the vehicle must be invoiced to Toyota Fleet Management (TFM) and registered for private use only.
- Any vehicle purchased under the NEVP policy must not be sold or traded in until at least 11 months after the date of the vehicle registration.
- Vehicles must not be registered in a Business or Company name.
- Vehicles bought under the policy must be registered in the same state that the Purchaser resides in.
- RDR and registration must comply at all times with the current version of the Toyota Sales Policies.
- Once an Approved Purchaser has chosen the vehicle they wish to purchase under the NEVP Policy, the Dealer may source the chosen vehicle by either providing a vehicle from:
 1. The Dealership's own pipe/stock (A20 to N01/3)
 2. A vehicle from TMCA/TWA pipe stock (Free and available stock A20 to L01)
 3. Forward Production COSI.
- For vehicles placed into forward production, the delivery time cannot be guaranteed by the Dealer until the vehicle status moves to Production Confirmed (A20 in SAP). This is in line with other forward production COSI requests outstanding for the Dealer.
- When the chosen vehicle is in forward production and is confirmed (status A20), the vehicle is deemed allocated to that Dealer.
- NEVP policy vehicle model eligibility are published in the price lists which can be found in Toyota Source, myBenefits.
- Vehicles included in the NEVP Policy may be varied and embargos may be placed on vehicle models at TMCA's discretion. These may include new release vehicles. The discount price (Fleet Discount + Matrix Funding + NEVP Discount) will not be applied to vehicles which are under embargo, however Approved Purchasers will be entitled to receive all other benefits associated with the NEVP policy, including but not limited to free Pre-Delivery and Delivery fees, TSA, full tank of fuel and TFA financing (NEVP Declaration Form must only be completed if the employee is applying for TFA financing under the NEVP Finance Policy). Exclusions will be published on Toyota Source, myBenefits page.

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- Toyota Demonstrator vehicles and Toyota Used vehicles are excluded from the Toyota NEVP policy.
- Lexus Vehicles are excluded from the Toyota NEVP policy however, Toyota Retail Network Employees are eligible to purchase a Lexus under the [Lexus Corporate Programme](#). Refer to Toyota Source, myBenefits page for more information.

Stamp Duty Payable on an NEVP Vehicle

- Stamp duty on an NEVP vehicle is payable based on the dutiable value of the vehicle (which, depending on the relevant State or Territory in which the sale occurs, may be based on either the RRP or the NEVP discounted price of the vehicle).

Toyota Service Advantage (TSA) & Toyota For Life

- All new NEVP purchases are eligible for **Toyota Service Advantage (TSA)**.
- TSA is a fixed price service agreement offering agreed purchases same capped, low price to service their vehicle.
- All new NEVP purchases are eligible for the **Toyota For Life** delivery experience, and as such are entitled to be delivered with a **full tank of fuel**.

Toyota Finance Australia (TFA)

- Approved Purchasers may apply for financing through Toyota Finance Australia.
- Approved applicants will receive;
 - A competitive finance rate.
 - Nil Establishment Fee
 - Nil Dealer Agency Fee.
- Refer to the [TFS NEVFP Policy](#) for further details.
- Novated Leasing may also be available to Approved Purchasers participating in the Toyota Employee Novated Lease Program known as [myLease](#).

Trade-ins

Dealers may accept trade-ins. Approved Purchasers and the Dealer will agree on the price paid for the trade-in. Trade-in price for the vehicle is subject to valuation from the Dealership and at any time the Dealership at its own discretion may request revaluation for the trade-in vehicle.

Fringe Benefits Tax

Vehicles purchased under the NEVP policy may be subject to a Reportable Fringe Benefits Amount (RFBA) which is required to be disclosed in the Approved Purchasers' income tax return and represents the grossed up value of non-cash benefits provided to them, where the total value of benefits they received for the FBT year exceeded \$2,000. Approved Purchasers should contact an appropriate tax agent for more information.

Cancellation Policy

- When the chosen vehicle is production confirmed (status A20), the vehicle is deemed allocated to that Dealer and cannot be cancelled except in the following circumstances:
 - The Approved Purchaser will no longer be employed by the Dealership at the time of delivery.
 - Compelling circumstances, which may include but are not limited to illness or financial hardship.
 - Mutual Agreement between the Dealer Principal/General Manager and TMCA.
- In the event of a cancelled order:
 - The Dealership should notify their Regional Field Representative to determine if the vehicle can be returned to TMCA or must be retained in the Dealership stock.
 - Vehicles wholesaled at status (M02-N03) or later will generally be required to be retained by the

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Dealership.

- A refund of the deposit is at the discretion of the Dealer Principal/General Manager.
- If an Approved Purchaser does not abide by the NEVP policy cancellation policy, then the Dealer Principal/General Manager or TMCA may suspend the employee from the program for a period of 12 months from the date of cancellation.

Dealer Rebate

TMCA's contribution to NEVP pricing (Dealer Claim) as published on the NEVP Price List will be processed automatically in SAP at the time of RDR, and will be paid to the Dealership as per the standard Dealer payments process (refer to the Toyota Sales General Policy section 6 for more information on Dealer Payments).

Compliance

- Dealerships and Approved Purchasers are required to comply with this policy and the policies that relate to the sale of vehicles issued under clause 9.1 of the Dealer Agreement (as manuals).
- Consequences for Non-Compliance as outlined in Section 4 – Policy Compliance of the Toyota Sales Policy may be imposed by TMCA where a Dealership or an Approved Purchaser is found to have breached the policy, provided false or misleading information or have engaged in unacceptable behaviour. This may include but is not limited to:
 - TMCA may cancel the sale and/or may enforce a suspension of the NEVP Policy to the Dealership or Approved Purchaser.
 - Any discounts provided in circumstances where this policy was breached must be repaid by the Dealership (at TMCA's discretion).
- TMCA will track the NEVP policy utilisation to monitor compliance.
- TMCA's Dealer Audit function will conduct independent checks in accordance with standard procedures.

Variations to the Toyota NEVP Policy

- The NEVP policy will be introduced on a trial basis from 2 July 2018 to 30 June 2019.
- TMCA reserves its right to vary this Policy, terms and conditions or any aspect of the NEVP Policy at any time in its sole discretion and without liability to the Toyota Dealer, the Authorised Purchaser or any third party.

Key Contacts

- Visit [Toyota Source >> myBenefits page](#) or
- Contact your Regional Field Representative for further information about this policy.

Escalations

- The Toyota For Life team are the temporary policy owners.
- In the first instance, decisions relating to policy deviations, breach investigations or other issues will be managed by the relevant Regional Field Representative and approved by the TMCA Regional Manager and the Senior Manager - Toyota for Life (temporary policy owner). Contact with this team can be made via National.TFL@Toyota.com.au.