

CERTIFIED PRE-OWNED



STUART SMITH
REGISTER CHEVROLET, INC.
BAC: 114704
14181 CORTEZ BLVD, FL 34613

July 10, 2023

Re: CPO Inventory and Sales Compliance

Dear STUART SMITH,

On April 4th, the CPO Team sent out new parameters for sales and inventory:

For Dealers who sold 251 or more new GM vehicles in 2022:

- Inventory – Dealer must have 5 units in stock at all times in order to be compliant and considered a participating Dealer. The CPO Team will measure this daily and use the average for the month.
- Sales – Dealer must sell an average of 4 CPO units per month or 12 for the quarter.

For Dealers who sold 250 or less new GM vehicles in 2022:

- Inventory – Dealer must have 3 units in stock at all times in order to be compliant and considered a participating Dealer. The CPO Team will measure this daily and use the average for the month.
- Sales – Dealer must sell an average of 2 CPO units per month or 6 for the quarter.

You are receiving this letter because you fell short of at least one of the parameters in the quarter and are being suspended from the program for a minimum of 90 days. There are two items I would like to point out:

1. You have until July 28th to wrap up any CPO business. On July 29th, you will be de-enrolled from the program.
2. If you would like to re-join the program, you will need to contact the CPO Help Desk and they will process your request.

General Motors wants Dealers who are engaged in the Certified Pre-Owned program. CPO leads to greater customer satisfaction, increased brand loyalty and more new vehicle sales.

We hope you will get back in the program in 90 days, or so and get back to selling CPO units in your market.

Jim Bement

CPO Operations Manager

Private Message : CPO Update

NoReply_MyGlobalConnect@gm.com <NoReply_MyGlobalConnect@gm.com>

Wed 7/26/2023 4:25 PM

📎 1 attachments (356 KB)

23_CPO_ComplianceOne-Pager_v3.pdf;

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Reference Number: 202307260007

ATTN: DEALER PRINCIPALS

Dated July 10, you received a letter indicating that your dealership was being suspended from the Chevrolet Buick GMC Certified Pre-Owned (CPO) program for a minimum of 90 days.

Due to dealer input, we are amending the terms of this suspension and are providing you an opportunity to remain active in CPO by becoming compliant in the 3rd quarter of 2023 – and maintaining program compliance in the 4th quarter.

The amended terms are as follows:

For Dealers who sold 251 or more new GM vehicles in 2022:

Inventory

- Dealer must have **5** units in stock at all times in order to be compliant and considered a participating Dealer. The CPO Team will measure this daily and use the average for the month
- To remain active, your CPO inventory level must average **5** units for the period July 26 - October 2, 2023 – and then remain above the threshold in the 4th quarter

Sales

- Dealer must sell an average of **4** CPO units per month or 12 for the quarter
- To remain active, your CPO sales rate must average **4** units per month in the 3rd quarter – and then remain above the 4 unit per month threshold in the 4th quarter

For Dealers who sold 250 or fewer new GM vehicles in 2022:

Inventory

- Dealer must have **3** units in stock at all times in order to be compliant and considered a participating Dealer. The CPO Team will measure this daily and use the average for the month
- To remain active, your CPO inventory level must average **3** units for the period July 26 - October 2, 2023 – and then remain above the threshold in the 4th quarter

Sales

- Dealer must sell an average of **2** CPO units per month or 6 for the quarter

To remain active, your CPO sales rate must average **2** units per month in the 3rd quarter – and then remain above the 2 unit per month threshold in the 4th quarter

Should you meet these requirements, you will remain an active participant in the CPO program and will be eligible for any EBE benefits related to the CPO program. Q3/Q4 payments will be allocated at the end of the calendar year should you remain compliant.

We look forward to working with you to leverage the benefits of the CPO program with your customers. CPO leads to greater customer satisfaction, increased brand loyalty and more new vehicle sales months and years down the road.

Regards,

Jim Bement

CPO Operations Manager



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CPO UPDATE

BACKGROUND

Dated July 10, 864 non-complying CPO dealers were notified that they'd be suspended from the program due to not achieving the following requirements:

Dealers who sold 251 or more new GM vehicles in 2022:

Inventory:

- Must have 5 units in stock at all times

Sales:

- Must sell an average of 4 CPO units per month or 12 for the quarter

Dealers who sold 250 or fewer new GM vehicles in 2022:

Inventory:

- Must have 3 units in stock at all times

Sales:

- Must sell an average of 2 CPO units per month or 6 for the quarter

REVISED ACTION

Due to dealer input, we have revised the approach for these 864 dealers as indicated in **red type below**:

Dealers who sold 251 or more new GM vehicles in 2022:

Inventory:

- **Must have 5 units in stock at all times**
- **To remain active, CPO inventory level must average 5 units for the period July 26-October 2 - and then remain above threshold in Q4**

Sales:

- **Must sell an average of 4 CPO units per month or 12 for the quarter**
- **To remain active, CPO sales rate must average 4 units per month for Q3 - and then remain above the 4 unit per month threshold in Q4**

Dealers who sold 250 or fewer new GM vehicles in 2022:

Inventory:

- **Must have 3 units in stock at all times**
- **To remain active, CPO inventory level must average 3 units for the period July 26-October 2 - and then remain above the threshold in Q4**

Sales:

- **Must sell an average of 2 CPO units per month or 6 for the quarter**
- **To remain active, CPO sales rate must average 2 units per month for Q3 - and then remain above the 2 unit per month threshold in Q4**

ASSOCIATED EBE EARNINGS

- Should a dealer meet the revised requirements, they will remain an active participant in the CPO program and will be eligible for any EBE benefits related to the CPO program
- Q3/Q4 payments will be allocated at the end of the calendar year, should they remain compliant