

*Dollar Thrifty
Automotive Group, Inc.*



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April 18, 2011

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National Highway Traffic Safety Administration
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Sent Via Email (jennifer.timian@dot.gov)

Re: AQ 10-001: Rental Vehicle Audit Query

Dear Ms. Timian:

In response to the referenced audit query, Dollar Thrifty Automotive Group, Inc. ("Dollar Thrifty") provides the following information:

1. Does Dollar Thrifty have a policy or procedure on having repairs and other remedies pursuant to U.S. vehicle safety recalls performed on vehicles within its fleet? If so, please describe in detail that policy or procedure and produce a copy of it. To the extent that policy or procedure has changed over the past three (3) years, please identify and explain: (a) what changes were made; (b) why they were made; and (c) when the changes were made.

Response: Dollar Thrifty has policies and procedures for having repairs and other remedies performed on vehicles in its fleet pursuant to manufacturer vehicle safety recalls. Enclosed are the two most recent versions of Dollar Thrifty's written policy on the subject – Maintenance and Warranty Number MTW04. The policy dated January 2008 was a revision of an earlier policy and became effective at that time. The policy dated October 2010 revised the January 2008 policy and remains in effect at this time.

The October 2010 revision was made principally to recognize the formation of a formal Vehicle Safety Team and its function to ultimately determine the type of response warranted for safety recalls or service bulletins and specifically whether a "Hard Ground Response" (i.e. vehicle not rented until defect is remedied) is called for. While such a review process had existed previously, and vehicles had been placed on "Hard Ground" status previously, the process was more informal. Currently, the Vehicle Safety Team is comprised of the Senior Executive Vice President of Operations, the Vice President of Fleet Operations, the Executive Director of Maintenance, and a Corporate Attorney.

Dollar Thrifty's Maintenance Department monitors and collects safety recall notices from various sources, as described further below. Dollar Thrifty's Vehicle Safety Team evaluates safety recall notices to determine if a Hard Ground Response (i.e. vehicle not rented until defect is remedied), a Normal Response (i.e. defect remedied at next maintenance event), or a customized response is

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warranted. Dollar Thrifty's Maintenance Department notifies maintenance managers in the field about safety recalls and monitors the performance of safety recall remedies. Safety recall work is performed either in-house by qualified personnel or at a pertinent manufacturer's dealership.

2. Does Dollar Thrifty draw distinctions between safety recalls in terms of severity, size of affected population, or other factors? If so, please describe how Dollar Thrifty makes those distinctions and describe how, if at all, those factors influence or change whether, or how quickly, Dollar Thrifty disseminates information to its rental facilities about a particular safety recall or requires application of the recall remedy to the vehicles affected in it fleet.

Response: Based upon information in the recall notice and additional consultation with the relevant manufacturer, Dollar Thrifty draws distinctions between safety recalls based on the degree of safety risk posed by the defect. The degree of safety risk dictates whether the Vehicle Safety Team selects a "Hard Ground Response", a "Normal Response", or a customized response. Most recall notices state the remedy should be performed on the next occasion the vehicle is due for maintenance work.

Each week, Dollar Thrifty sends a list of all the VINs of its fleet vehicles to the relevant manufacturer and requests information concerning any recalls or service bulletins issued for such vehicles. Based on this information, the manufacturers' formal notices received by mail, and other available sources of information on recalls, Dollar Thrifty's Maintenance Department updates its field operations on at least a weekly basis concerning all recall notices. In the event Dollar Thrifty's Vehicle Safety Team determines a "Hard Ground Response" is appropriate, Dollar Thrifty immediately grounds the pertinent vehicles via the central counter automation system so that they cannot be rented.

3. Does Dollar Thrifty have a policy or procedure for ensuring that vehicles within it fleet have had safety recall remedies applied before Dollar Thrifty sells or otherwise transfers ownership of those vehicles? If so, please describe that policy or procedure and produce a copy of it. To the extent that policy or procedure has changed over the past three (3) years, please identify and explain: (a) what changes were made; (b) why they were made; and (c) when the changes were made.

Response: Yes, at a meeting of the Vehicle Safety Team in February, 2011, Dollar Thrifty adopted a formal policy of ensuring that vehicles within its fleet have had safety recalls remedies performed prior to sale of its vehicles. In practice, this policy is in place and it is being incorporated in writing as a revision to an existing policy - Fleet Number FLT14. A copy of the draft revision of FLT14 is attached hereto. Please note the highlighted verbiage on page 1 to be added: "Vehicles chosen for sale must have open safety recalls completed before sale to prevent undue risk of injury or potential litigation." Once a decision is made to sell a vehicle, field maintenance personnel review the condition of the vehicle to determine if any maintenance or repair items, including recall notice repairs, are necessary.

4. How does Dollar Thrifty receive and manage safety recall notifications and information from vehicle manufacturers? For example, are those notifications received at one location and then distributed from there or are the notifications sent to multiple locations?

Response: Dollar Thrifty's Maintenance Department receives formal notices from vehicle manufacturers concerning recalls at its Tulsa Headquarters location via U.S. mail as required by NHTSA. As described in paragraph 2 above, each week Dollar Thrifty's Maintenance Department sends a list of the VINs of its fleet vehicles to manufacturers and requests any information concerning safety recalls whether or not formal notices from the manufacturer have been mailed out yet. The

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manufacturers return the VIN lists to Dollar Thrifty's Maintenance Department with information concerning recall notices provided thereon. Dollar Thrifty's Maintenance Department also receives the weekly email "Recall notice from NHTSA's Office of Defects Investigation" and downloads the ODI flat file "Flat Rcl.zip" on a daily basis and reviews it for new recall notices. Dollar Thrifty also consults the manufacturers' recall web pages for recall information.

5. How does Dollar Thrifty inform and educate its rental locations and other involved Dollar Thrifty parties concerning safety recalls to ensure that the affected vehicles are identified and the recall remedy performed on them? Does Dollar Thrifty "flag" or otherwise note vehicles subject to safety recall and does Dollar Thrifty have a policy for how quickly those vehicles are flagged?

Response: Dollar Thrifty's Maintenance Department updates information sent to field maintenance personnel concerning specific fleet vehicles subject to safety recalls on at least a weekly basis. The data is "flagged" both at a central site accessible to relevant personnel in spreadsheet format and sent by email to the specific location management team at which the vehicle is located. Once recall work is completed on a vehicle, the work is documented by marking the information on the driver door jam and by submitting a separate repair order for that work to Dollar Thrifty's Maintenance Department.

6. Please describe how Dollar Thrifty enforces its policies or procedures on remedying of its vehicles subject to a safety recall. Please describe, for example, whether there are personnel at Dollar Thrifty dedicated to reviewing Dollar Thrifty's performance of safety recalls and identifying vulnerabilities or weaknesses within Dollar Thrifty or its rental locations as to performance of safety recalls on it vehicles.

Response: On at least a weekly basis, Dollar Thrifty's Maintenance Department reviews the performance of the recall remedies and sends notices to relevant field locations requesting evidence of repairs if they have not been timely received at Headquarters. Any time maintenance work is performed on a vehicle, Dollar Thrifty's Maintenance Department reviews the documentation of the work performed to ensure that any applicable recall remedy was performed.

7. Does Dollar Thrifty subscribe to the agency's recall notification service and have personnel dedicated to receive notifications from that service?

Response: Yes, Dollar Thrifty's Executive Director of Maintenance receives the weekly email "Recall notice from NHTSA's Office of Defects Investigation." Dollar Thrifty also downloads the ODI flat file "Flat Rcl.zip" on a daily basis and reviews it for new recall notices.

8. Does Dollar Thrifty have a policy where it does not rent vehicles subject to a safety recall if NHTSA or the manufacturer had indicated those vehicles should not be driven, or should be "grounded"? Please confirm whether this is current Dollar Thrifty policy and, if the converse is true – that Dollar Thrifty does not "ground" vehicles unless and until NHTSA or the manufacturer instructs that this is appropriate.

Response: If NHTSA or a manufacturer indicated that a vehicle subject to recall notice should not be driven, Dollar Thrifty would not rent the vehicle until the recall had been remedied. As set forth in Policy MTW04, Dollar Thrifty independently evaluates the nature of the recall notice and may decide not to rent vehicles pending performance of the recall remedy even in the absence of such direction in the recall notice from the manufacturer.

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9. Does Dollar Thrifty report safety concerns to NHTSA when and if it learns of those concerns from its rental locations, its renters, or otherwise? If so, please state whether Dollar Thrifty has personnel designated to do the reporting or whether the reporting is performed at the discretion of individual Dollar Thrifty staff, describe how Dollar Thrifty reports those concerns to NHTSA, (e.g., through an owner complaint form available online or www.safercar.gov, by calling NHTSA's toll-free hotline at 1-888-327-4236, or other means), and state whether it has a policy or procedure for reporting those concerns to NHTSA and, if so, provide a copy of that policy or procedure. In your description, to the extent they exist, identify and explain any minimum criteria or other factors Dollar Thrifty may have for reporting a safety concern to NHTSA (e.g., a certain number of complaints on an issue, Dollar Thrifty's assessment of the risk involved, etc.).

Response: Dollar Thrifty's Maintenance Department reports vehicle quality concerns to the relevant vehicle manufacturer if the volume of incidents at issue appears to be unusual. Dollar Thrifty also forwards to the manufacturer matters where the customer claims a vehicle defect so that the manufacturer may inspect the vehicle.

10. Please provide any additional information or documentation that would be helpful to NHTSA's understanding of how Dollar Thrifty views, manages, and executes safety recalls affected it vehicles.

Response: We believe NHTSA could improve safety recall notices by providing vehicle owners more detailed information concerning the degree of safety risk posed by a particular safety defect. Additionally, NHTSA could improve the process used to track the performance of safety recall remedies. Notwithstanding this, due to the policies and procedures described above, Dollar Thrifty's record of safety with respect to vehicles subject to recall notices is excellent. Dollar Thrifty is not aware of any personal injuries sustained as a result of a recall remedy not being performed in an appropriate manner. Moreover, manufacturers have often informed us that vehicle rental fleets have the highest safety recall compliance record among fleet providers, including government and private company fleets. To the extent NHTSA is considering changes to the method of complying with safety recalls, such changes should apply equally to all vehicle owners, whether private individuals, government or corporate fleets, or vehicle rental or car sharing companies, since the safety risk posed by a particular safety defect is the same regardless of who owns the vehicle.

If you have any questions or requests for additional information, please do not hesitate to contact me.

Sincerely,



William T. Walker

Enclosures

MAINTENANCE AND WARRANTY

NUMBER: MTW04

CREATION DATE: 03-1995

REVISION DATE: 01-2008



POLICY: RECALL CAMPAIGN / SAFETY RECALL

POLICY STATEMENT:

To comply with the requirements of the National Traffic Motor Vehicle Safety Act, all corporate locations must have manufacturer recalled vehicles repaired as soon as possible.

PROCEDURE:

Identifying a Recall Campaign

- Recall Summary Report
- DealerConnect (Chrysler) vehicles
- OASIS (Ford) vehicles
- Other published source

NOTE: To check if a recall applies to a specific Chrysler vehicle go to <http://www.dealerconnect.com> choose the Service Tab, then choose VIN Inquiry, enter the last 8 of the VIN and mileage, click view, then choose the recall tab.

To check if a recall applies to a specific Ford vehicle go to <https://www.fleet.ford.com/> go to the Maintenance Tab; choose Recalls. Click on Online VIN Specific Recalls (OASIS). Enter entire VIN in the VIN Entry Box; then, click on the Get OASIS button.

Recall Campaign: A Recall Campaign is defined as a written acknowledgment by the vehicle manufacturer of a problem that exists on one car or a series of cars that requires immediate repair or part replacement.

Safety Recall: A Safety Recall is defined as a written acknowledgement by the vehicle manufacturer of a problem that exists on one specific vehicle or specific series of vehicles that requires immediate repair or part replacement. If the repair or part replacement is not performed, the vehicle(s) may be unsafe to operate. We have a legal obligation to get the vehicle(s) repaired as quickly as possible.

NOTE: A Technical Service Bulletin (TSB) is not a Recall Campaign or Safety Recall (see [MTW11](#)).

DTAG locations are notified by e-mail of a current recall or campaign and should follow these steps:

1. Depending upon the nature of the vehicle modification/ repairs needed, determine whether the recall repairs can be done in-house or should be vended to Manufacturer's Dealer.
2. Outside vendors should only be used if modifications cannot be completed in-house.

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NOTE: Outside vendor should be a local OEM (Original Equipment Manufacturer) dealer.

3. Only a qualified technician with the appropriate certification and training is authorized to perform repairs.
4. Review details of the recall and perform repairs per the manufacturer's instructions.
5. Once complete, mark the recall number performed on the driver door jam using a permanent marker or recall decal.
6. Ensure repair is documented independently of any other repairs on a separate Repair Order (RO) and forwarded to the DTG Warranty Department (see MTW07).

This policy was created March 1996. revised October 2006, and revised January 2008

**MAINTENANCE & WARRANTY
POLICY NO. MTW04**

CREATION DATE: 03-1995
REVISION DATE(S): 03-1996; 10-1996; 01-2008; 10-2010

POLICY: MOTOR VEHICLE DEFECTS AND SAFETY DEFECT RECALLS

POLICY STATEMENT:

Dollar Thrifty Automotive Group, Inc. and its subsidiaries ("DTG"), consistent with Corporate Compliance Policy 2-7, Safety, Health and the Environment, and applicable federal and state laws regarding motor vehicle safety, establishes and maintains this policy ("Policy") to ensure that defects of motor vehicles and any motor vehicle equipment are timely remedied.

DEFINITIONS:

"Defect" means a problem in performance, construction, a component or material of a motor vehicle or motor vehicle equipment that is not a Safety Defect (defined below). Examples of Defects include a radio that does not work properly, paint blemishes and body panel rust.

"Service Bulletin" means a bulletin, notice or advisory, voluntarily issued by a vehicle manufacturer that addresses a Defect and the process to remedy the Defect. Examples of Service Bulletins include Customer Service Notifications issued by Chrysler, and Technical Service Bulletins.

"Hard Ground Response" means that the Vehicle Safety Team (defined below) has determined that the Safety Defect identified in notice of a Safety Defect Recall requires the vehicle be placed on hold status "E" and not used until repaired. From time-to-time, the Vehicle safety Team may also determine that a Defect identified in a Service Bulletin requires the vehicle be placed on hold status "E" and not used until repaired.

"NHTSA" means the National Highway Transportation Safety Administration, an agency of the U.S. Government charged with enforcing the Safety Act (defined below), including applicable safety standards as to motor vehicles.

"Normal Response" means each vehicle is checked for a Safety Defect Recall, as well as any Service Bulletin, during maintenance events. Repairs and /or corrections to remedy the Defect or Safety Defect shall be completed in accordance with the applicable notice of Safety Defect recall or Service Bulletin as materials become available.

"Safety Act" means the National Traffic and Motor Vehicle Safety Act, as amended, and including any regulations promulgated thereunder.

"Safety Defect" means a problem exists in a motor vehicle or an item of motor vehicle equipment that (1) poses a risk to motor vehicle safety, (2) may exist in a group of vehicle of the same design or manufacture, or items of equipment of the same type and manufacture, and (3) pursuant to the Safety Act, either the manufacturer has voluntarily notified NHTSA of the problem to initiate a recall or NHTSA has ordered a recall. Examples of Safety Defects include steering components that break suddenly causing partial or complete loss of vehicle control, accelerator controls that may break or stick and windshield wiper assemblies that fail to operate properly.

"Safety Defect Recall" means that a recall notice has been issued to customers to remedy an identified Safety Defect. As set forth in the definition of "Safety Defect," the recall may be voluntary by the manufacturer upon notice to NHTSA or upon an order issued by NHTSA.

"Vehicle Safety Team" means the group comprised of the Executive Director – Maintenance, the Senior Executive Vice-President of Operations, a Corporate Attorney or higher, and the Vice President – Fleet or higher.

OVERVIEW

Manufacturers of motor vehicles and motor vehicle equipment voluntarily issue Service Bulletins to remedy Defects. Manufacturers may also voluntarily initiate a Safety Defect Recall to remedy a Safety Defect. In addition, NHTSA may order a Safety Defect Recall as to a Safety Defect. Most decisions to conduct a recall

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due to a Safety Defect are made voluntarily by manufacturers, while others are either influenced by NHTSA investigations or may be ordered by NHTSA via the courts. This Policy sets forth the process by which DTG respond to Defects and Safety Defects.

MANAGEMENT PROCEDURES:

1. Management will be responsible to monitor and respond to notices of Safety Defect Recalls, as well as Service Bulletins.
2. The Vehicle Safety Team shall be responsible to review all Safety Defect Recalls to determine DTG's response, as set forth below. In addition, Service Bulletins may also be reviewed by the Vehicle Safety Team, from time-to-time, upon the request of the Executive Director – Maintenance or any member of the Vehicle Safety Team, to determine DTG's response.
3. Notices of Safety Defect Recalls will be forwarded to a website and the members of the Vehicle Safety Team will be notified of each posting.
4. The Vehicle Safety Team shall decide whether a Normal Response or Hard Ground Response is warranted as to each Safety Defect Recall it reviews and evaluates. In the event that any member of the Vehicle Safety Team dissents or objects to a decision to implement a Normal Response and instead, expressly states that a Hard Ground Response is warranted, then the decision of the Vehicle Safety Team, prior to implementation, shall be presented to the General Counsel of DTG. The General Counsel shall be responsible to review the information regarding the Safety Defect Recall and shall then make the final decision as to whether a Normal Response or Hard Ground Response is warranted. The same process shall be used as to any Service Bulletin reviewed by the Vehicle Safety Team.
5. When the Vehicle Safety Team determines a Hard Ground Response, the vehicles involved will be grounded in status "E".

NOTE: "E" status requires that a vehicle be immediately grounded and treated in the same manner as vehicles grounded under "C" status.

6. Operations will be notified of any Hard Ground Response. Notification will cascade to Regional Vice Presidents, Vice President – Operations, Regional Fleet Directors, Executive Director – Fleet Programs, Revenue Management, Customer Service, and Reservations.

OPERATIONS PROCEDURES:

1. Safety Defect Recalls can be found in the Recall Summary Report located on the Maintenance SharePoint internal web page at the following link:

<http://dtgonline/sites/FleetMaint/Maintenance%20Reports/Forms/AllItems.aspx?RootFolder=%2fsites%2fFleetMaint%2fMaintenance%20Reports%2fRecall%20Summary&View=%7bAF627CCE%2dDB91%2d4C17%2dA5B2%2d085805B0C51D%7d>

2. Manufacturer-specific information as to Safety Defect Recalls, together with Service Bulletins, can be found at the following links. From time-to-time, other published sources will be posted and/or provided:
 - DealerConnect (Chrysler) vehicles <http://www.dealerconnect.com>
 - OASIS (Ford) vehicles https://www.fleet.ford.com/maintenance/Recalls_service_bulletin/default.asp
 - GMVIS (General Motors) vehicles <https://www.autopartners.net/apps/gmvis/gmvis/main>
3. DTG locations shall be notified by e-mail of a current Safety Defect Recall, from Maintenance, and shall follow these steps:
 - a. Depending upon the nature of the vehicle modification/repairs needed to remedy the Defect or Safety Defect, determine whether the repairs can be done in-house or should be vended to the manufacturer's dealer.
 - b. Outside vendors should only be used if modifications cannot be completed in-house.

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NOTE: Any outside vendor should be a local OEM (Original Equipment Manufacturer) dealer or as authorized by Executive Director - Maintenance.

- c. Only a qualified technician with the appropriate certification and training is authorized to perform repairs as to any Safety Defect.
- d. Review details of the Safety Defect Recall or Service Bulletin, and perform the repairs per the manufacturer's instructions.
- e. Once complete, mark the recall number performed on the driver door jam using a permanent marker or recall decal.
- f. Ensure any repair is documented independently of any other repairs on a separate Repair Order ("RO") and forwarded to the DTG Warranty Department (see [MTW07](#)).

FLEET

NUMBER: FLT14

CREATION DATE: 01-1995

REVISION DATE: 06-2008

POLICY: RISK VEHICLE DISPOSAL

POLICY STATEMENT:

Risk vehicles are company assets that must be protected by ensuring profitable pricing, selected buyers, and appropriate payment methods in order to minimize financial risk.

NOTE: For the purpose of this policy, Risk Vehicles refers to all vehicles that are not governed by a manufacturer repurchase or guaranteed depreciation program.

PROCEDURES:

The local Fleet Manager, Operations Manager, Business Intelligence or other authorized management decide when vehicles can be removed from the rental fleet. There are various types of sales with varying methods of disposal. The items below identify the procedures to follow for the disposal of each of the sale types.

* [Vehicles chosen for sale must have open safety recalls completed before sale to prevent undue risk of injury or potential litigation.] *

There are four sale types:

1. Opportunity Sales - Vehicles converted from GDP/Repurchase programs to risk for the purpose of selling for a profit.
2. True Risk Sales - Vehicles ordered as risk with no diminished value.
3. Reject Sales - Vehicles with diminished value due to accidents, mileage, term, etc. regardless if they originated from a non-risk or risk program.
4. Reject Sales Identified at Auction - Vehicles returned to auction either as GDP/Repurchase or risk that are determined to have diminished value due to reasons such as frame damage or poor previous repairs.

There are three disposal methods:

1. Direct Sales, Field
2. Direct Sales, Headquarters Fleet Remarketing
3. Auction Sales

Sale Types (Pricing)

- A. Opportunity Sales

1. Monthly Non-Return Allowance (NRA) amounts are distributed to Corporate Operations, Area Vice Presidents, City, Fleet and General Managers, Fleet Operations and Fleet Accounting personnel on program vehicles.
2. The fleet must be reviewed to determine which vehicles can be removed from rental and sold for a net profit:
 - a. Local Fleet or City Managers review their city's controlled and owned fleet.
 - b. Regional Fleet Managers review their region's fleet.
 - c. The Direct Sales Area of Fleet Operations reviews the active inventory.
3. Net profitability is determined by comparing Net Book Value plus In-Service Retention Bonus minus NRA and disposal costs (e.g. transportation) versus the vehicle value on the current Manheim Market Report minus any estimated return costs (e.g. damage).
4. Pricing for individual vehicles is based on net profitability and is generally no less than \$200. Individual vehicles sold for profits less than \$200 require authorization from the Regional Fleet Manager or Director of Vehicle Remarketing with documentation supporting such a sale. Pricing must be in line with current market conditions as shown on Manheim Market Report (adjusted for mileage).
5. If certain models are converted to risk vehicles (for sale at a later time) in order to take advantage of high Non-Return Allowance (NRA), they will follow the same guidelines as true risk sales (see True Risk Sales, below).
 - a. These models will be included on the weekly price guide distributed for True Risk Sales (see below).
 - b. In order to be converted to risk, these vehicles must be analyzed by the Director of Vehicle Remarketing and approved by the Chief Executive Officer or Chief Operating Officer or the Chief Financial Officer (see FLT19 - Non-Return Allowance – Chrysler only).
 - c. A single analysis of groups of 20 or more vehicles for a one month period will suffice for multiple conversions.

B. True Risk Sales

1. A weekly minimum sale price guide for these vehicles is distributed via e-mail from the Fleet Department based on model, model year, region and mileage.
 - a. Regional pricing applies to where the vehicle is physically located at the time of sale, not the owning location.
 - b. Prices are listed for auction and direct sales.
2. Vehicles sold below published floor prices require authorization from the Fleet Remarketing Department (Director level or above).
3. Personnel representing a sale at an auction must exercise good judgment but may not accept bids more than \$200 lower than listed floor price or the amount of damage, whichever is greater. Factors such as vehicle condition, color in certain areas of the country, or age at auction may warrant a vehicle selling below listed floor price.
4. If an auction vehicle will not bring the lowest price outlined above, contact the Director of Fleet Remarketing at 918-669-2320 for authorization to lower the floor

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price and include reasons why. Authorizations must be in written or email form and are retained for one year by the Director of Fleet Remarketing.

C. Reject Sales

1. Examine WebDocz file contents for body damage estimates and/or repairs. If estimates and/or repairs total 40% or more of the current book value, a Comparison-Salvage vs. Repair Form must be completed (see FLT01-Vehicle Salvage Disposal).
2. Review GAUGE to ensure an Authorization to Remove Vehicle from Manufacturer Program (ATR) has been completed before continuing. If an ATR is not on file, refer to policy FLT18-Vehicle Program Status Change Notification. Vehicles cannot be sold without this approved form.
3. All vehicles must be sent to a auction for disposal. Rejected vehicles sent to auction must have the appropriate announcements made at time of sale. (Frame Damage, Unibody, Hail etc.) One of the following methods may be used to determine the minimum floor price at which a vehicle may be sold:
 - If a vehicle condition meets National Automobile Auction Association (NAAA) requirements or the condition is "Green Light" in GAUGE, use the Manheim Market Report (MMR) wholesale average plus or minus \$500.
 - If a vehicle condition requires announcements by NAAA requirements or the condition is "Announce" in GAUGE, use the MMR with a maximum reduction of 15% of MMR.
4. Deviation from the above pricing guideline requires authorization from the Director of Fleet Remarketing. Authorization must be in written or email form and maintained for one year by the Director of Fleet Remarketing. Pricing must always be in line with current market conditions as shown on Manheim Market Report adjusted for mileage and vehicle condition.

Disposal Methods (Selling)

Once determination is made regarding availability of vehicles, type of sale, and sale price, the following methods of disposal are pursued:

- A. Direct Sales, Field - These are sales arranged and completed by Non-Headquarters personnel.

NOTE: Direct sales buyers must have a Dealers License or Sales Tax Exemption Certificate and must have the OFAC check completed. The Fleet Operations - Remarketing Staff Assistant maintains a database of dealers and may be contacted to confirm a certificate is on file (918-669-3911).

1. The local Fleet Manager must prepare a Purchase Agreement provided in the Document Library on DTG Online under Fleet Ops > Procedure Documents. The field can process only two sale types – True Risk and Opportunity. All Reject sales types must be sold at an auction with the appropriate announcements: The

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language describing the vehicles should be that the vehicle has frame damage, previous repairs, or damages beyond acceptable program limits the True risk and Opportunity sales vehicles documents do not contain this language. However, the direct sale document must accurately reflect the condition of the vehicle and be completed with the following information:

- Agreement Date – Date price negotiation agreed by Buyer
 - Buyer
 - Buyer Phone
 - Vehicle Location
 - Vehicle Location Phone
 - Location Number – Fleet System
 - Preparer Name
 - Preparer Phone
 - Vehicle
 - FastLane Unit
 - Year
 - Make
 - Model
 - Color
 - Mileage
 - Tax Rate (If applicable)
 - Sale Price
 - Total Price = Tax plus sale price
 - Execute the signature sections.
2. A copy of the Purchase Agreement must be provided to the Buyer. The original copy must be submitted to Tulsa. See bullet four below for proper submission.
 3. The only acceptable forms of payment without title delays are certified funds or Wire Transfers. Company checks will result in a 10 day title delay.
 4. The vehicle will be released to the buyer on receipt of funds or confirmation that a wire transfer has been received in Tulsa. Wire confirmation may be obtained from the Fleet Accounting, Car Receipts Area (918-669-3352).
 - If certified funds or company check are received, forward payment with Purchase Agreement via expedited mail (2nd Day Delivery) to the remittance address provided in the Remittance Instructions document located on DTG Online under Fleet Ops > Procedure Documents.
 - If payment is made via wire, fax the Purchase Agreement to Fleet Accounting, Car Receipts Area at 918-669-2402. Forward the original Purchase Agreement to DTG Operations, Inc.; Sales Area, Mail Code 8E1; 5330 E 31st Street; Tulsa, OK 74135. Or for Sales processing, e-mail electronic copy to # Sales Fleet Ops (in the company Global Address Book or salesfleetops@dtag.com).
 5. Sell the vehicle in FastLane as of the date the vehicle was released to the Buyer or the Buyer's designee. For more information on selling a vehicle in FastLane, refer to the Sell a Vehicle section of the FastLane Users Guide.

6. Headquarters responsibilities:
 - a. Fleet Accounting, Car Receipts Area - send a copy of the Purchase Agreement and confirmation of payment receipt to the Fleet Programs, Titles Area for title processing.
 - b. Fleet Programs, Title Area - send the title to the Buyer. **NOTE:** Titles are usually sent via overnight mail 1-2 business days after payment notification is received. If the title should be sent to an address other than the Buyer, title instructions must be included with the remittance.
 - c. Fleet Accounting, Car Receipts Area - send a copy of the Purchase Agreement to the Sales Area for sales processing.
 - d. Fleet Operations, Sales Area - sell the vehicle as of the date of the Purchase Agreement once the agreement is received either from the Car Receipts Area or directly from the location.

B. Direct Sales, Headquarters Fleet Remarketing

1. Local Fleet Managers (or above) must communicate available vehicles for sale via either email or fax to the salesperson assigned to their territory or by changing the vehicle status to "F" Vehicle for Sale. A list of salespeople is provided in the Document Library on DTG Online under Fleet Ops > Procedure Documents > Salesperson Assigned Territory.xls.
2. Local Fleet Managers must communicate to their assigned salesperson whether vehicles are available on their lot or at the risk marshaling centers. A listing of risk marshaling centers is provided in the Document Library on DTG Online under Fleet Ops > RISK MARSHALLING CENTERS.doc.
 - a. If space and time allow, locations are required to hold vehicles on their lot. Maximum holding term is 3 days or amount set by the local Fleet Manager.
 - b. Selling vehicles directly off the lot enables DTG to sell cars more quickly and avoids shipping, marshaling, detail and auction sales fees.
 - c. If space, time or convenience does not allow sales directly off the rental lot, it is recommended to use the risk vehicle marshaling centers (where available) in order to take advantage of cost savings realized when selling vehicles direct.
3. Local Fleet Managers must update the vehicle status in GAUGE using the "Mass Move in FastLane" menu.
 - If the vehicle remains at the rental location, the vehicle status must be updated to "F", Risk for Sale on Lot.
 - If the vehicle is being shipped to a marshaling center complete the following:
 - 1) Update the vehicle status to "Q", Risk for Sale Auction.
 - 2) Update the vehicle location. **NOTE:** Marshaling center codes begin with "D".
 - 3) Mark "DTG – Fleet Lease" on the back glass of the vehicle and ship.
4. The Fleet Remarketing Salesperson should update the Car Sales database with the vehicle information to create a pool of available vehicles for sale. **NOTE:** Any salesperson can negotiate a sale regardless of the originating field location.
5. The Fleet Remarketing Salesperson is responsible for negotiating a sale, updating the Car Sales database, notifying the local Fleet Manager of any sold vehicles,

- producing a Purchase Agreement, and sending the Purchase Agreement to the buyer for execution.
6. The Buyer must sign and return the Purchase Agreement and remit certified funds, wire transfer or have Remarketing draw on a line of credit. If Buyer remits a company check, the title will be delayed 10 days. The Fleet Remarketing Salesperson may expedite the title by confirming with the issuing bank that the check has cleared. A Bank Verification must be added to the Purchase Agreement, signed by the Salesperson and forwarded to the Titles Area.
 7. The Fleet Remarketing Staff Assistant will file the executed Purchase Agreement, update the receipt of funds date in the Car Sales database, and send an Authorization to Release to the local Fleet Manager. **NOTE:** For vehicles sold on lot, this authorizes the location to release the vehicle to the buyer or their designee. No vehicle can be released without this notification. For vehicles sold at risk marshaling centers, this provides the location with the sale date.
 - a. For Vehicles Sold on Lot: Once notified by the Fleet Remarketing Salesperson that the vehicle was placed on a purchase agreement, the local Fleet Manager should physically mark the vehicle "SOLD" with buyer name on windshield in order to prevent the vehicle from being mover or placed back on rent.
 - b. The local Fleet Manager should release the vehicle to the Buyer or Buyer's designee upon receipt of an Authorization to Release.
 - c. The local Fleet Manager must sign and date the Authorization to Release providing the date the vehicle was released to the buyer or buyer's designee and return it via facsimile to Fleet Remarketing (fax 918-669-2947). If a vehicle substitution is made, the vehicle that was not released must be crossed through and the substitute unit written in.
 8. For All Vehicles:
 - a. The local Fleet Manager (or designee) is responsible for selling the vehicle in FastLane.
 - If the vehicle's pickup location is the field location, sell as of the date the vehicle was released to the Buyer or the Buyer's designee. If a transport delay occurs, the vehicle must remain unsold in Fastlane until removed from lot. Once the location receives the Authorization to Release, the vehicle status can be changed to "R" status to reduce the impact on utilization.
 - If the vehicle pickup location is not the field location, sell as of the document date on the Authorization to Release.
 - b. The Fleet Remarketing Staff Assistant will prepare a Purchase Agreement for the Car Receipts and Sales Area.
 - c. The Fleet Accounting Car Receipts Area will send a copy of the Purchase Agreement and confirmation of payment receipt to the Titles Area for title processing. Titles are usually sent via overnight mail 1-2 business days after payment notification is received.
 - d. The Fleet Operations Sales Area will sell the vehicle in the Fleet system as of the payment receipt date.

C. Auction Sales - Where space and time do not allow for a vehicle to be sold on the location lot, or there is no risk marshaling center in the area, or attempts to sell on the lot are unsuccessful, the local Fleet Manager may transport the vehicle directly to the fleet lease lane of an approved risk auction. A listing of approved risk auctions is available on DTG Online under Fleet Ops > Procedure Documents > APPROVED RISK AUCTIONS.doc.

1. The local Fleet Manager must coordinate where to send the vehicles with the Fleet Department Remarketing Director (918-669-2320 or 918-669-3340). The Remarketing Director will provide information on the auctions that are bringing the best prices, selling at the quickest rate, where promotional sales have been negotiated and where volumes of vehicles are low or high.
2. The local Fleet Manager must complete the following by using the "Mass Move in FastLane" menu in GAUGE:
 - a. Update the vehicle status to "Q", Risk for Sale Auction.
 - b. Update the vehicle location. **NOTE:** Auction codes begin with "A".
3. A file of vehicle movement to auction is deposited by GUAGE for the Fleet Programs Titles Area on a daily basis.
4. The Fleet Programs Titles Coordinator receives the GUAGE file and produces a daily "Pull Sheet" to identify where a title is to be sent. The Titles Area Staff Assistant sends the titles to auction. Titles are usually sent via overnight mail 1-2 business days after notification is received.
5. The local Fleet Manager should mark the back glass of the vehicle with "DTG – Fleet Lease" before transporting to auction. The Fleet manager also needs to mark on the back glass any condition that needs to be announced at the time of auction sale. (Frame, Fire, Previous Repairs, Roof etc.)
6. Regional Auction Field Representatives must ensure each sale is represented at auction. An area map of primary representatives can be found in the Document Library on DTG Online under Fleet Ops > Procedure Documents > Field Rep Area Map.bmp. If the assigned representative can not make the sale, coverage must be coordinated with Local Managers.
7. The Auction Representative must set the sale price of the vehicle based on the pricing guidelines outlined in the Sales Type/Pricing section of this procedure.
8. Once a vehicle sells:
 - a. The Auction provides the Sales and Expense Summary to the Auction Representative or local Fleet Manager.
 - b. The local Fleet Manager or designee sells the vehicle in FastLane as of the sale date at auction. Paperwork can be culminated into a common Administrative Office, providing the Region Controller pre-approves in writing.
 - c. The Auction wire transfers the sales proceeds within 48 hours of the sale and forwards the remittance information via facsimile to the Fleet Accounting Car Receipts Area (at 918-669-2402) or electronically to area personnel.
 - d. The Auction should forward the Sales and Expense Summary and sales documents to the Fleet Operations Sales Area via overnight mail or electronically to Fleetsalesops@DTAG.com.

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- e. For Auctions that pay by check, the auction must forward the check and sales documents via overnight mail to the Fleet Operations Sales Area. Upon receipt, the contents of the package will be distributed between the Car Receipts and Sales Areas.
- f. The Fleet Operations Sales Area sells the vehicle in the Fleet System as of the date of sale at auction.
9. Rejects at Auction - Occasionally, program vehicles are transported to auction by the manufacturers with damage or repairs not detected at the time of inspection.
 - a. Rejected vehicle information should be communicated to the Fleet Auction Services National Auction Specialist (at 918-669-3338 or email gwyn.hammer@dtag.com).
 - b. The National Auction Specialists confirms or denies the rejection through estimates and/or pictures. A Fleet Auction Services Field Representative may be requested to physically look at the vehicle for confirmation of rejection.
 - c. The National Auction Specialist is responsible for:
 - Notifying the Regional Fleet Manager and the local Fleet Manager of the vehicle rejected at auction.
 - Completing an Authorization to Remove (see [FLT18-Vehicle Program Status Change Notification](#)).
 - Updating the vehicle status in FastLane to "U" (Reject at Auction) to return the control of the vehicle to the appropriate location.
10. The Auction Sales process begins again at section C, bullet 3.

This policy was created January 1995 revised January 2006 and June 2008.