



**To: Dealer Principals
Parts Managers
Service Managers
Warranty Managers**

Subject: Semi-Annual Returns

Date: January 5, 2007

The Semi-Annual Parts Return program is designed to assist HMS dealers in the proper adjustment of their parts inventory to the ever-changing requirements of the market. For this return period, the eligible dollar value of the dealer's semi-annual parts will be calculated based on the stock purchases for the last six months of 2006.

The eligible dollar value of the return is limited to 8% of the dealer's parts stock purchases within the last six months, exclusive of core charges. Core charges are not included in dealer's eligible purchase value. Returns are subject to a 10% restocking fee.

The following policies and procedures apply:

Items that are not eligible for return include: Obsolete parts (parts no longer purchased by HMS); special order parts; windshields; manuals and catalogs; parts that have been previously installed or taken off vehicles. Parts with a grade of E, F, or X are non-returnable. HMS will review the list provided by each dealer. The non-eligible parts will be scrapped, and no credit will be issued. Glass products will not be accepted for credit.

Dealer return shipments must be entered by the expiration date in the DC206 – Dealer Buyback Entry screen. You will have 30 days to return the parts after the expiration date. If the parts are not received by then, the return will be rejected. The expiration date will appear in the line item entry screen (Figure 4). All parts must have been purchased originally from HMS, be in new and resalable condition, properly identified and in the original packaging.

The dealer's parts must be shipped freight prepaid to the Memphis PDC: **8425 Airways Blvd Southaven, MS 38671**. The return shipment must be properly packaged or crated. Return shipments showing signs of damage, due to poor packaging, will be rejected and returned to the dealer freight collect.

With the implementation of the new Hino Enterprise System, Semi-Annual Returns are more self-servicing. Listed on the following pages are detailed explanations on how to use the DCS to process your Semi-Annual Return.

How to Use the DCS for Semi-Annual Returns:

- The dealer will need to click on the button labeled **DC206 – Dealer Buyback Entry**.
- In the next screen (Figure 1), you will enter the part number and the quantity. Be sure that the number is a returnable part.*

Dealer Buyback Entry

Document# B 0000667 Buy Back Type AA DIAP Period 02/06 to 02/06
 Customer# BENTLEY TRUCK SERVICE INC Expiry: end 05/06
 BENTLEY TRUCK SERVICE INC Buyback Allowed 10945.53
 3200 SOUTH 7TH STREET Current 10945.53
 PHILADELPHIA, PA 19148 Variance 10945.53
 Hand%

Line	Item	Return	Disc	Net	Handling	Purchase
No Items have been Entered for Return						

Figure 1

- After all parts have been entered, then exit the screen.
- The next window (Figure 2) will prompt you to make a selection. You have three choices.

Dealer Buyback Entry

Document No B 667

☐ Accept Whole Order As Complete (Close Period)
☐ Accept Order As Complete (Create New Document With Remaining Variance)
☐ Suspend Order For Further Entry

Choose what to do with the order

Figure 2

- BE SURE THE OUTPUT QUEUE IS SET TO “**WBHQ01**”
- BE SURE THE JOB PATH IS SET TO “**IDSNORMAL**”.
- Then, click OK (shown in Figure 3). This will create a Dealer Buyback Unpacking List, which will be emailed to you.

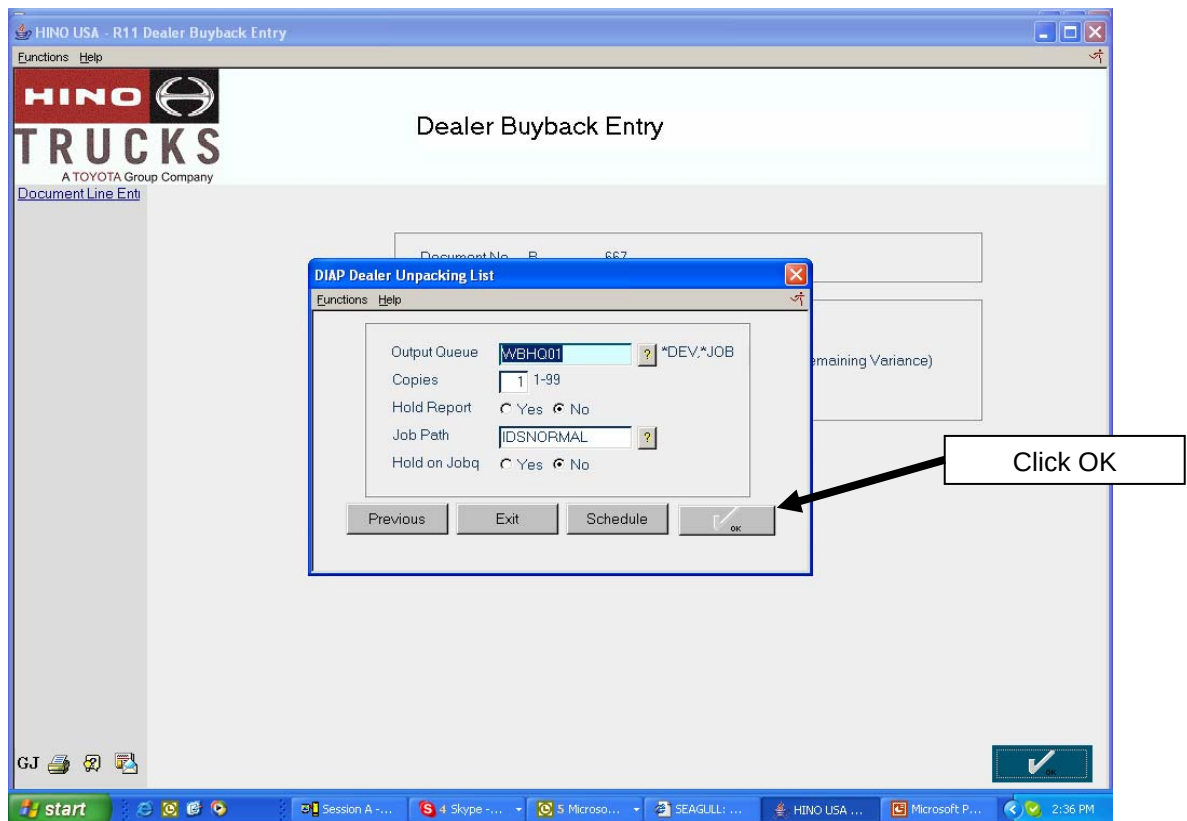


Figure 3

Figure 4 displays some of the information that will be available to you when you go into DC206:

- Expiration Date
- Buyback Allowance
- Total of Current Work in Process
- Variance Amount Remaining to be Used

Dealer Buyback Entry

Document# B 0000667 Buy Back Type AA DIAP Period 02/06 to 02/06

Customer# BENTLEY TRUCK SERVICE INC
3200 SOUTH 7TH STREET
PHILADELPHIA, PA 19148

Buyback Allowed 10945.53
Current 191.00
Variance 10754.53
Hand%

Line	Item	Return	Disc	Net	Handling
1	794111880A	List	CN	212.22	21.22

—Discount—

Rate Type

Line 2

Line Item Return Disc Net Handling

1 794111880A List CN 212.22 21.22

@TAX

G.J. ✓

Figure 4

The amount **MUST BE USED BY THE EXPIRATION DATE**, or you will lose it.

* The only parts that will be accepted for return are parts with a grade of A, B, C, or D. Even though you will be able to enter the part number for other grades, no credit will be issued. **NO GLASS PARTS ARE TO BE RETURNED.**

If you should encounter any problems while using the Semi-Annual Return process, please feel free to call me.

Sincerely yours,

Rick Gadd

Rick Gadd
Parts Materials Manager
Hino Motors Sales U.S.A., Inc
A Toyota Group Company
8425 Airways Blvd. Suite 101
Southaven, MS 38671
Bsn: 662-342-3939 x103