



Service Bulletin

Bulletin No.: 11-00-89-005V

Date: April, 2023

WARRANTY ADMINISTRATION

Subject: Warranty Administration – Dealer Empowerment for Goodwill, Customer Enthusiasm and Policy (U.S. Only)

Models: 2024 and Prior GM Passenger Cars and Trucks

Attention: This Service Bulletin does not apply to 'GM of Canada' dealers.

This bulletin has been revised to add the 2024 Model Year, update available Goodwill Tools, clarify vehicle payment reimbursement limits, and add additional Goodwill Tool Guidelines. Please discard Corporate Bulletin Number 11-00-89-005U.

As a dealer partner, General Motors empowers you with the ability to utilize policy and goodwill tools as deemed appropriate to satisfy and retain GM customers that are loyal to their vehicle brand and your dealership. This bulletin provides guidelines to further assist our dealer employees in the utilization of these tools to resolve customer issues while spending GM resources in an effective and responsible manner.

Excluded and not eligible for the Goodwill, Customer Enthusiasm or Policy Provisions outlined in this Bulletin:

- Hummer H1
- Saab
- BrightDrop (refer to BrightDrop Policies and Procedures)
- Non-GM vehicles, including those covered by CarBravo
- Any used/pre-owned vehicle in dealer inventory and/or any other vehicle owned by the dealer entity.
- 2023 model year Escalade V, Corvette Z06, HUMMER EV (or any further vehicle added) with an "RV- Retention Vehicle Policy" voided/blocked warranty code.

Organizational Terms

The following chart should clarify the terms used to describe various payment categories used to satisfy customer requests for assistance. These terms will be used throughout this bulletin.

Resource	Definition
Warranty	Vehicle repairs within the time and mileage limitations of the applicable warranty coverage that are a result of a covered defect in materials or workmanship. <ul style="list-style-type: none"> • Example: Window Regulator is replaced during the applicable New Vehicle Limited Warranty.
Customer Enthusiasm	Vehicle repairs within the time and mileage limitations of the applicable warranty coverage that ARE NOT the result of a covered defect in materials or workmanship. <ul style="list-style-type: none"> • Example: Repair of a front air deflector due to customer not realizing how low it is.
Policy	Vehicle repairs outside of the applicable time and mileage limitations of the applicable warranty coverage. <ul style="list-style-type: none"> • Example: Wiper motor fails at 52,000 miles and GM pays for all or part of the repair cost.
Goodwill	Assistance expenditures made to satisfy the customer. <ul style="list-style-type: none"> • The term "Goodwill" does not refer to a vehicle repair. Repair outside of Warranty is "Policy." • Goodwill is the term for the tools that are used to offset customer inconvenience or to offer additional protection and peace of mind. Details of the Goodwill tools are found later in this bulletin. <ul style="list-style-type: none"> • Example: Customer has had to return to the dealership for a repeat connectivity issue with OnStar and based on this customer's unique situation, the service manager deems it appropriate to offer an extension to the customer's OnStar subscription.
Special Coverage	Extension of the warranty coverage of a specific vehicle component or system if an identified non-safety related failure occurs. <ul style="list-style-type: none"> • The necessary repair under a Special Coverage will be performed only if the Special Coverage is noted in IVH under the applicable warranty section and the vehicle exhibits the condition specified. • Example: Extended coverage on the transmission shift cable for certain 3–5 wave plate vehicles.

Goodwill Tool Guidelines

A variety of Goodwill Tools (listed below) are available to dealer management for resolving customer issues and maintaining customer satisfaction.

Dealers are NOT to use Goodwill Tools for the following:

- Hummer H1, Saab, BrightDrop or non-GM branded vehicles
- 2023 model year Escalade V, Corvette Z06, and HUMMER EV (or any further vehicle added) with an "RV- Retention Vehicle Policy" voided/blocked warranty code.
- Fleet/commercial owned vehicles that have been delivered with Delivery Type 014, 020, 035, 036, 038, 040 (see IVH Vehicle Delivery Information page to view vehicle Delivery Type)
- When the vehicle has an active Branded Title showing in Investigate Vehicle History (IVH) and/or Carfax
- To close a sale
- In delayed new vehicle delivery situations
- After 10 days from new vehicle delivery to resolve a sales-related issue
- In any relation to the GM Card
- For or in conjunction with trade assist, or when customers are involved in product allegations, BBB, legal, or 3rd party intervention
- For any fuel economy, DEF consumption, or EV range concerns
- For APR/lease dealer cash adjustments
- For modifying vehicle content or adding non-GM approved parts/accessories
- When the cause of customer dissatisfaction is due to dealer negligence
- Goodwill Tools should not be used to resolve situations that are otherwise eligible for Policy or Customer Enthusiasm repair assistance

Goodwill Tools Available via the Dealer Aftersales Empowerment Application

Important: Please note that some tools are not available in certain states or for use in a stop sale or recall situation. Contact your District Service or Sales Manager (DVM/DSM) for further direction. Please review all Guidelines posted on the Dealer Aftersales Empowerment Application for additional eligibility requirements.

- **My GM Rewards Points** – Up to 50,000 points. Customer must be enrolled in My GM Rewards prior to submitting request.
- **OnStar®** – Plan upgrades or extension; past subscriber activation.
- **Service Voucher** – Email issued to the customer for \$50 or \$100 towards a one-time service or maintenance visit.
- **Component Coverage Letter (CCL)** – Letter issued extending coverage of a designated vehicle component for a specific time frame (Not available in CA, NH, or VT).
- **Chevrolet, Buick, GMC, and Cadillac Protection Plan** – A service contract covering various vehicle components & systems and issued for various time and mileage intervals. Plans are eligible only for vehicles under 36,000 miles. (Not available in Puerto Rico, Guam, or Virgin Islands).
- **Chevrolet, Buick, GMC and Cadillac Pre-Paid Maintenance Plan** – Available Pre-Paid Maintenance Plans include oil changes, tire rotations and fluid top-offs and more (Not available in Puerto Rico, Guam, or Virgin Islands).
- **GM Protection EV Pre -Paid Maintenance Plan** – Three levels of 36-month plans are available to cover a variety of maintenance items on electric models.

GM may modify available tools at any time. Refer to the Dealer Aftersales Empowerment application in GlobalConnect for current available tools.

Goodwill Tools processed via the Global Warranty Management (GWM) System

- **Spontaneous Goodwill Maintenance (Labor Op 0600343)** – Dealer provides complimentary goodwill maintenance, consistent with GM recommendations contained in the customer's owner's manual, when a customer was not issued a maintenance letter or other tools. There is a \$100 maximum for usage of the labor operation. The transaction must be submitted with the exact amount of the complimentary maintenance input into the Net/Miscellaneous field. GM is not to be charged more than what is customary.
- **Incidental Non-Warranty Expense (Labor Op 0600015)** – Dealer agrees to reimburse a customer for reasonable expenses incurred as a result of the service repair. Examples include hotel expenses, meal expenses, flowers, or other appropriate expenses to compensate the customer for inconvenience. There is a \$500

maximum for retail usage and the transaction should be submitted with the exact amount input into the Net/Customer Reimbursement field.

- **Vehicle Payment Expense (Labor Op 0600005)** – Dealer, in unique circumstances, may determine it is appropriate to reimburse the customer for a vehicle payment for their GM vehicle experiencing service issues. When submitting a transaction with this labor operation, the Complaint/Cause/Correction fields must contain a detailed explanation, the exact dollar value of the monthly payment (including method used to determine or calculate the payment amount) and the check number issued to the customer as reimbursement. Enter the exact amount reimbursed to the customer in the Net/Customer Reimbursement field of the transaction. Vehicle Payment reimbursement is limited to:
 - 2020-2022 Silverado 1500 & Sierra 1500 - Up to \$2,500 (This was a temporary increase. Excludes 2023 and future model years)
 - 2021-2022 Corvette, Escalade, Suburban, Tahoe and Yukon - Up to \$2,500 (This was a temporary increase. Excludes 2023 and future model years)
 - All other Cadillac Models - Up to \$1500
 - All other Chevrolet, Buick, GMC Models - Up to \$1,000

Important: These labor operations have specific applications and any inappropriate use will result in a credit reversal. Submitting any of these labor operations MUST be approved by Service Management.

Customer Enthusiasm Guidelines

A Customer Enthusiasm Repair is a repair performed with GM participation, within the warranty period, where the product issue is NOT the result of a defect in material or workmanship. This expense would normally be customer responsibility and in this unique instance, the dealer is requesting GM assist in the repair cost to ensure customer loyalty. The transaction must be submitted using the published repair operation with the "Customer Enthusiasm-Non-Warrantable Repair" indicator selected.

Note: These type of repairs are not covered by the New Vehicle Limited Warranty; a 50% Customer Participation is recommended.

- Example: Customer's vehicle has a cut in the rear seat back at 8,000 miles. This is clearly not a defect in material or workmanship and therefore would not be a warranty repair. Based on the facts and circumstances and the customer's history with the dealership, the service manager would like to fix the customer's issue and submit this to GM for reimbursement of 50 % even though it is a non-warrantable repair. The transaction would be entered as a ZREG using the rear seat back labor operation with the Customer Enthusiasm-Non-Warranty Repair indicator box checked, the full amount of parts and labor input and the Customer participation amount input into the Customer/Service Agent Participation field. The Complaint, Cause, and Correction fields must document the situation including the substantive reasons for the decision.

The following are NOT considered Customer Enthusiasm and dealers should not check the "Customer Enthusiasm – Non-Warrantable Repair" indicator on these types of transactions:

- When a warranty defect caused the customer's concern
- Assembly *replacements* instead of repair for customer satisfaction
 - Example: Customer's vehicle has no reverse at 2,000 miles. 3-5R clutch housing damaged. Transmission replaced versus repaired due to low mileage. Even though the cost comparison shows it is more cost effective to repair the unit, it is being replaced for customer satisfaction.
- Repeat repairs resulting from a warrantable failure
- Divisional maintenance programs
- Reimbursements
- Non-repair issues (Accessories, sales incentives, etc.)

Policy Guidelines - Incorporating the Policy Evaluation Tool

Dealers are required to use the Policy Evaluation Tool once a determination has been made that a policy decision is appropriate for a customer's out-of-warranty repair, or whenever the customer has requested policy consideration for an out-of-warranty repair. Consider these factors in your decision making:

Supporting Factors for Offering Policy Assistance include but are not limited to:

- Vehicle is recently out of warranty
- Loyal GM new vehicle customer and/or loyal service customer (purchase of a protection plan, number of vehicles purchased, level of service business as shown in Service Workbench, etc.)
- Original owner
- Previous history/repairs related to current vehicle issue

- Type of repair
- High incurred customer expense to repair the "out of warranty" issues

Limiting Factors for Offering Policy Assistance include but are not limited to:

- Purchased as a used vehicle
- Well beyond vehicle or component's warranty expiration
- Cause is not normally covered by warranty (misuse, abuse, neglect, accidental damage, lack of maintenance)
- Overall lack of vehicle maintenance or care
- Repair expenses incurred due to damage from an accident that insurance will not cover
- It is evident that Policy assistance will have no positive affect on the customer's satisfaction, loyalty and repurchase intent
- 12V batteries or tires (ineligible for Policy)
- Component(s) installed per the Bolt EV/EUV High Voltage Battery Safety Recall that fail beyond the 8-year/100,000-mile Bolt EV Battery Limited Part Warranty (ineligible for Policy)

Important: Dealers must not restrict Policy use solely because the customer did not purchase or service their vehicle at your store.

Policy Evaluation Tool - Requirements and Process:

- The Policy Evaluation Tool is located in the Dealer Aftersales Empowerment app in GlobalConnect.
- Enter all required information. The Total Repair Cost must be entered at warranty rates on the form.
- The Policy Evaluation Tool will provide a minimum Customer/Dealer participation \$ amount based on the days and miles the vehicle is beyond warranty for the defective component.
- When seeking assistance for more than one repair on the job card, the Policy Evaluation Tool must be **run separately for each line**.
- The actual amount of customer/dealer participation must be reflected in the "Customer/Service Agent Participation Amount" field of the transaction. See below for further details.
- The print version of the Tool must be attached to the hard copy of the job card as well as the transaction.
- The service manager must authorize the policy adjustment prior to initial transaction submission. This authorization must be in the form of an explanation, signature/initials, time, and date (reference GM Service Policies & Procedures Manual). The reasons supporting GM assistance should be clear to an objective third party reviewing the job card that has not been involved in the customer decision-making process. Short general comments such as "good customer" or "out of warranty" are not sufficient.

- If the Online Policy Evaluation Tool is not available due to a system issue, we are relying on our dealer service management personnel to engage with the customer and to make the best, balanced business decision possible.
- If the component's coverage is not listed in the Component Warranty Coverage field dropdown list on the Policy Tool form, select the closest option related to the repair. Enter the time and mileage end dates of the coverage selected to determine the starting level of participation. You will need to use your judgment to determine if this level of participation is appropriate.

Dealer Empowerment Beyond Policy Evaluation Tool Results for Extenuating Circumstances

Dealers are required to use the Policy Evaluation Tool and are encouraged to follow the recommended amount of assistance. If extenuating circumstances merit less customer participation as suggested by the Policy Evaluation Tool, the dealership is empowered to deviate from the tool result amount **up to \$500**. GM pre-approval is NOT required. A copy of the Policy Evaluation Tool result must still be attached to the transaction. These situations should be rare and supported by a good business case.

In instances where the tool result is \$0 GM participation, dealers can still use their empowerment up to \$500 if the business case merits it.

Dealers should consider that the issuance of an Owner Loyalty Certificate by your District Service Manager may be more appropriate, and in cases, even preferred by the customer compared to Policy assistance on a vehicle repair. The dealership should consider all factors such as the cost of the repair, the age of the vehicle, and if partial repair assistance will satisfy and retain a customer. Example: A nine-year-old vehicle requires an engine replacement, and the calculated GM assistance still leaves the customer with a substantial repair expense. In this case, it may be more appropriate to offer the customer an Owner Loyalty Certificate.

Pre-Approval Process for Policy Assistance Beyond Dealer's \$500 Empowerment Range

Deviating **more than \$500** from the Policy Evaluation Tool result must be **PRE-APPROVED** by GM through the Dealer Aftersales Empowerment application in GlobalConnect.

- Complete the "Claim Pre-Approval Request" form in the Dealer Aftersales Empowerment application. Select box for "Policy Adjustment – Request to deviate from Policy Evaluation Tool results."

- A copy of the approved Pre-Approval Form must be attached to the job card and retained in the vehicle history folder. A copy of the approved Pre-Approval Form is no longer required to be attached to the submitted transaction.
- A copy of the Policy Evaluation Tool must still be attached to the transaction.

Customer/Service Agent Participation Amount Transaction Processing

When the customer or the dealer agree to participate in the cost of the repair, the participation must be reflected in the Customer/Service Agent Participation Amount field of the transaction. Failure to document the participation amount in the Customer/Service Agent Participation Amount field may result in a charge back for the applicable amount.

When submitting the transaction, enter the labor, parts, net item as if GM was going to cover the repair under warranty. When a customer/dealer participation amount is involved, the entire repair must be calculated at warranty rates. Enter the Customer and/or Service Agent participation amount in the "Customer/Service Agent Participation Amount" field as a positive number. The transaction will be reduced by this amount and pay the dealer net (total less participation amount) amount.

Example: A 5-year-old (750 days out of warranty) Tahoe with 67,000 miles is in for an Upper Control Arm repair. Based upon the results of the Policy Evaluation Tool, the customer is satisfied with GM participating at 50% of the repair cost. The dealer submits for 4.4 hours of labor, \$215.86 in parts and \$86.35 in parts markup for a total transaction amount of \$679.36. The dealer then inputs 339.68 in the Customer/Service Agent Participation Amount field. The dealer will receive \$339.68 through the GWM system.

This procedure will give full transparency to the amount of participation, allow for verification that the dealer is collecting the participation and will minimize unnecessary transaction processing issues due to miscalculations.

Vehicles with Aftermarket Service Contracts

If a vehicle has an active service contract, all transactions submitted outside of the terms of the new vehicle warranty will require authorization to ensure that the customer first uses the benefits of the service contract they purchased. To request approval, the dealer must document the current contract status (expired, component not included, owner not party to the contract, etc.). This information must be submitted in the comments section and documented in the vehicle's service file.