GM Accessories "Transit Wheel" Process

The purpose of a Transit Wheel program is to provide production tires with a vehicle that can be transferred to the LPO wheels without utilizing standard production wheels. Transit wheels are intentionally visually unappealing and not intended for normal driving/use. They are either black steel (i.e. Full Size Trucks and Utilities) or a low cost finish production aluminum wheel (i.e. various Chevrolet, GMC and Buick Crossovers and some Cadillac models). The Transit Wheel process also affords proper wheel size calibration from production and facilitates transporting the vehicle from the Assembly Plant to the Dealer. The 2020 Cadillac XT6 will utilize this Transit Wheel Process for LPOs S1R, S1S and SEE. The 20" tire is a Michelin Premier LTX 235/55R20 102H, PN 31714. GM PN 22996332. The following process will assist ADIs with the proper handling of the Transit Wheel assemblies.

ADI LPO Wheel Package Orders, Transit Wheel Mounting and Balancing

- ADIs must secure Tire "Seed Stock" prior to LPO launch, to meet initial Dealer LPO order demand.
- Subsequent LPO orders will utilize the GM Approved production "Transit" Tires from recovered transit sets.
- Seed Stock can be secured through a local Tire Distributor or by calling GM Tire Program HQ @ 877-72-TIRES (877-728-4737.
- In case of Seed Stock shortage, ADIs should leverage the GM approved tires that come on the vehicle to fill the LPO order
- ADIS SHOULD NOT SUBSTITUTE OTHER, NON GM APPROVED TIRES
- Failure to comply with this process will result in LPO Wheel package debits for the involved VIN(s)

ADI Action

- 1) ADI receives an LPO Package Order for the Vehicle's Accessory Wheels.
- 2) ADI mounts and balances the LPO Wheel & Tire assemblies per *GM Engineering Specifications*.
- 3) ADI ships a complete LPO Wheel & Tire package (LPO S1R/S1S/SEE includes: Lugs (SEE only), Locks, Caps, TPMs).
- 4) ADI requests "Transit Wheels" and Tires be returned to ADI from Dealer.
- 5) ADI coordinates and assumes all return freight expense from the Dealer.
- 6) ADI assesses and reconciles Dealer Core Charges for Transit Wheels (ref. ADI Billing and Core Charge info below).
- 7) Upon return to ADI, the ADI will remove Production Tires from the Transit Wheels for reuse.
- 8) ADI is responsible for Transit Wheel final disposition (ref. Transit Wheel Disposition Process below).

If vehicle is received with a damaged tire, the Dealer files a Transportation Claim and gives new tire to ADI with core set return.

Transit Wheel Disposition Process

- Reuse programs ADI must return Transit Wheels per outlined process (currently Full Size Trucks and Full Size Utilities only).
- Damage/Scrap Process may include, but is not limited to; Sledge or Rim-Bending to the outboard flange, damaging a 3"-4" section inward (i.e. various Chevrolet, GMC and Buick Crossovers and some Cadillac models).

ADI Billing and Core Charges: Below are a few recommendations that can be utilized when billing the Transit Wheels.

- 1) ADI creates a zero dollar dealer invoice for the LPO wheel assembly on line one for accounting with GM.
- ADI creates a second line on the invoice for core charge of \$1,500 for the "transit" wheel assemblies.

OR, ADI can create two invoices to process the transaction.

- 1) Invoice 1 Bill the wheels to GM LPO accounting and deliver to the dealer.
- 2) Invoice 2 Bill the dealer at \$1,500 core charge for the wheel assembly tracks dealer core return.
- ADIs are responsible for reconciliation of dealer "transit" wheel cores.
- ADIs should communicate and reinforce their return process to their Dealers regularly.
- · Please include the defined return process, ADI contact names (Freight, ADI, etc.), Return Standards, Timing, Shipping Labels, etc.
- · If a dealer does not return a transit core, a GM Accessory Representative can assist with Zone Team support.

<u>ADI Reimbursement</u>: ADIs are reimbursed at a rate of \$90 p/hr for a total reimbursement of \$235) per set for transportation, dismount, and re-mount and balance of Transit Wheels. *Below is the suggested assignment of labor.*

Wheel Recovery: \$100
Dismount "Transit Wheel" assembly: .5hrs / \$45
Mounting & Balancing: 1hr / \$90

Dealer Reimbursement: Reference Dealer Communication for more info.